Daily Report

East Europe

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Assembly Commission To Determine Election Date

AU1012140091 Tirana ATA in English 1028 GMT 10 Dec 91

[Text] Tirana, December 10 (ATA)—The Peoples' Assembly which continued the plenary sitting after 2030 [1930 GMT] under the chairmanship of the chairman of the Presidency, Kastriot Islami, pointed out that after consultations of the parliamentary groups, the Presidency of the People's Assembly will set up a commission which will deal with the fixing and approval later on by the People's Assembly of the election day.

Besides, the chairman of the Presidency, Kastriot Islami, stressed that on the basis of the discussion with the parliamentary groups, the Presidency has included in the agenda the removal of the mandate to the Deputies Adil Carcani and Shane Korbeci.

The proceedings will continue on December 10.

Agrarian Party Deplores PDSh's 'Overhasty' Step

AU0812183991 Tirana Radio Tirana Network in Albanian 1900 GMT 7 Dec 91

[Text] A statement by the Agrarian Party points out that the situation we are experiencing is one of the most difficult and painful in our people's history. Following the National Stability Government's resignation after the departure of the Democratic Party's [PDSh] ministers, our country has been enveloped by instability, an economic, political, and psychological crisis, and anarchy.

Delays in solving many problems submitted to the relevant authorities led the Democratic Party to cause a government crisis at a moment that is very delicate and critical for the country's destiny. This was an overhasty political act that will not help the country overcome its crisis, develop democracy, and put Albania on the road toward civilized Europe.

Tolerance, conciliatory language, sound reason, and national feelings must prevail over every party interest and passion to overcome the difficulties and obstacles with as little pain as possible on the road on which we have embarked.

The Agrarian Party, the statement continues, calls on the entire people, the peasantry with their self-sacrifice and their unerasable contribution to our nation's destiny, and on our wise intelligentsia, to confront this historic moment with prudence and maturity. Any other alternative that could be encouraged by destructive forces would be a national disaster that history would strongly condemn.

It is definitely in the people's interest to strongly condemn and raise barricades against the disgraceful acts that are taking place and that have nothing to do with the character of a real Albanian.

Let us not burn, loot, plunder, and destroy the resources that are the fruit of our labor. Such ugly acts evident in recent days are very shocking to the public at home and abroad, and they give our enemies political capital and leeway for action.

The Agrarian Party supported from the start and encouraged with all its strength the National Stability Government, as the only solution that was achieved to lead the country forward with moderation on the democratic road and to create a healthy climate for new elections.

The Agrarian Party has highly appreciated not only this government's commitment, but its dedication to its duty, its political, economic, and social solutions and achievements, its patriotism and sense of sacrifice, and everything that it has done in a relatively short time.

In these conditions created by the government crisis, we accept earlier elections and again commit ourselves with a high sense of party, civil, and patriotic responsibility to striving alongside our members and supporters to ensure that the nascent reforms will be carried out and genuinely implemented, and that democracy will not be attacked but will triumph at all costs.

We also ask the president to rise to this event of national importance.

Government Commission Outlines Food Aid Situation

AU0812164491 Tirana Radio Tirana Network in Albanian 1900 GMT 7 Dec 91

[Text] The Government Food Aid Commission reports that the people's supplies of staple foodstuffs for the last three months have mainly been met by Italian state aid. So far, out of 121,500 tonnes of food planned to arrive before the end of December, about 55,000 tonnes, or about 47 percent, have arrived.

Divided according to items, the following quantities arrived: wheat, 77 percent; flour, 54 percent; sugar, 60 percent; rice, 8 percent; cooking oil, 40 percent; meat, 23 percent; powdered milk, 13 percent; and eggs, 5 percent.

Wheat, flour for bakeries and for retail sale, sugar, and meat have been and are being distributed in all the country's districts in quantities proportionate to the amounts delivered. We stress that districts including areas cut off in winter have been given priority regarding the quantities delivered.

About 7,000 tonnes of wheat, 600 tonnes of sugar, 500 tonnes of bread-flour, and 130 tonnes of rice are now in the port of Durres and are being distributed normally. The distribution of 690 tonnes of sugar in the port of Vlore is in progress.

The delivery of Italian aid, especially sugar, meat, powdered milk, and eggs, has intensified in recent days. Every day, about 10 trucks each with a capacity of about 20 tonnes of meat, between seven and 10 trucks with

powdered milk, and between seven and eight truckloads of eggs arrive in our country. Under an agreement reached with the Italian side, the following items will be delivered after 20 December: 7,500 tonnes of wheat on the "S.S. Lori;" 7,000 tonnes of on the "S.S. Vasili" and "Saranda;" 4,000 tonnes of flour on the "S.S. (?Cilker);" 2,100 tonnes of rice on the "S.S. Tepostep;" 2,000 tonnes of cooking oil on the "S.S. Messina;" and 2,400 tonnes of butter on a foreign ship being loaded in Spain. Likewise, supplies of meat, powdered milk, and eggs will continue to arrive by road.

The rate of arrival of these goods makes it possible to meet the people's most essential needs until 15 January. A quantity of 3,300 tonnes of beans is expected to arrive before 15 January, and the Italian side is expected to confirm the delivery date of shipments of soap and detergent. A further 1,100 tonnes of soap contracted in Turkey are expected to arrive before the end of December.

Along with the food from Italy, 22,000 tonnes of wheat from the United States have also been delivered and distributed. The U.S. side has also confirmed the delivery of 17,000 tonnes of wheat and 700 tonnes of butter by 15 January. A quantity of 1,000 tonnes of powdered milk and 272 tonnes of rice will also be supplied by truck in the first week of January.

Also during January and February, food other than the shipments mentioned will also be delivered to make up the quantities decided by the agreements signed for 4,000 tonnes of butter and 2,000 tonnes of powdered milk.

The Commissione Vicenzione firm, under instructions from the EEC, has confirmed the arrival before the end of December of three ships with 25,000 tonnes of wheat. Between 1,000-1,500 tonnes of wheat are arriving every day by rail.

All the pluralist district executive committees and trade enterprises have been instructed to organize rationed distribution to families and to control the quantities for each family as well as prices, which are fixed and cannot be changed.

The pluralist people's councils in neighborhoods, settlements, and villages, as well as the population themselves, should ask the retail sections of districts to give notice of the contingents to be received every month and the relevant prices.

Work is being done in many ways to ensure continued supplies for the people in the future. Further reports will announce the results.

Bread Sold Privately at Double State Price

AU1012090391 Tirana BASHKIMI KOMBETAR in Albanian 2 Dec 91 p 1

[Klement Vido report: "Bread on the Hucksters' Market"]

[Text] All kinds of wares have been seen on sale in the private market in the center of Fier, but never before bread. However, the trade in bread, too, has now begun. At what price, you may ask. At double the state's price. "What is going on?" the people of Fier rightly ask. "We do not mind other things, but must we buy even bread at hucksters' prices?" The situation is genuinely disturbing. The windows of many stores have been broken because of the press of customers chasing inadequate supplies. Every day, you can see many people following trucks loaded with bread in order to arrive first at their point of unloading. Faced with this situation, the Pluralist Executive Committee watches from the sidelines. Hundreds of citizens come every day to complain, but no solution to the problem is provided. Many meetings are held and there is no lack of criticism of personnel and low-level managers, but the bread "tragedy" continues. Nobody "notices" that the bakery workers, breaking all the regulations and laws, load up with bread after their working hours and carry it home, or that some sales assistants give to their acquaintances 10-15 loaves all at once, which are then sold on the private market. Why is this situation allowed? What is the fraud squad doing? We boast that we are establishing the rule of law, but nobody asks about the laws that have been approved. What is happening in Fier, the district with the highest grain production in the country? We know that the deep economic crisis has us in its grip, but not to the extent of going without our daily bread. One cannot advance toward democracy with an empty belly. Do the members of the central and local government know this?

Government Group Reports on Fushe Arrez Deaths

AU1112171991 Tirana Radio Tirana Network in Albanian 1700 GMT 11 Dec 91

[Communique by the government group on the events in Fushe Arrez in Puke District, issued in Tirana on 12 December]

[Text] At about 1600 GMT on 9 December 1991, crowds of people from the town of Fushe Arrez and its surrounding villages attacked the storehouse of industrial goods and clothing. The crowd entered the storehouse after overcoming the resistance of the police. In the absence of electric lighting, the people in the clothing and industrial goods storehouse used open flames, such as pieces of paper, brushwood torches, etc. Because of the use of this flame, the building's first floor caught fire. The highly inflammable building was soon in flames, and the first-floor exits were blocked. The fire quickly spread through the building to the second floor, bringing down the roof.

As a result of this large fire, 35 people died, of whom 31 have been identified. Some of the victims had entered the flames to rescue their relatives.

The local authorities have organized a range of measures to assist the victims' families and to stabilize supplies to

the people. The government group created to study the incident and the situation that has arisen in Puke District has reported to the president of the Republic and the chairman of the Council of Ministers.

[Signed] Government Group: Perikli Teta, defense minister; Sabit Broka, health minister; Petrit Serjani, procurator-general; Fadil Canaj, deputy minister of public order.

Trade Unions End Strike After Alia's Appeal

AU1012140191 Tirana ATA in English 1031 GMT 10 Dec 91

["Letter Addressed to the President of the Republic Ramiz Alia From the Trade Union Confederation of Tropoje"—ATA headline]

[Text] Tirana, December 10 (ATA)—The Trade Union Confederation of Tropoje District has acquainted the highest state forums down to the local organs with some of its worries and of the entire people of this district:

1. Lack of security of the citizens and unbalance of order and tranquillity in our district of what the organs of justice and public order are responsible.

2. Marked shortages of bread, its spontaneous and irresponsible organisation and distribution by the respective organs.

3. The isolation of the district, the lack of communication and blocking of the national road for several times in the Koman zone has brought about very great worries in the people and passers-by.

4. We have demanded that the agricultural enterprises be maintained according to the government decision.

Owing to the fact that none of these very indispensable and legitimate demands were not solved till December 2, 1991, we decided to go on general strike which will continue till the fulfillment of the above demands. But the government crisis creates an entirely new, grave and undesirable situation for every honest Albanian. Therefore we, responding to the appeal of the president and head of the government, addressed to our people to make its contribution to the solution of the crisis and preservation of tranquillity, although these demands and problems have not been solved, placing above everything the national interest, we decided on December 7, 1991 to suspend temporarily this strike and set down to work. We pledged to work and fight to become a factor of stability in our district.

We appeal to all the political parties, various sociopolitical organisations, the entire Albanian people, to avoid quarrels, and criminality towards the individual, property and all together should obey the national consciousness, the voice of the homeland. It's today or never high time to make our contribution to overcoming these extremely grave and dangerous situations for the destinies of our homeland and nation, the letter writes in conclusion.

Kapllani Meets Turkey's Ozal, Saudi Leaders

AU1112143491 Tirana ATA in English 1042 GMT 11 Dec 91

[Text] Tirana, December 11 (ATA)—On December 9, 10, 1991, the foreign minister of the Republic of Albania, Muhamet Kapllani, who is participating as an observer in the 6th Summit Conference of the Islamic Organization in Dakar of Senegal, met with the president of Turkey, Turgut Ozal. The latter hailed the participation of Albania as observer in this important meeting and voiced the satisfaction for the increasing development of the Turkish-Albanian relations. He voiced once more the conviction that they will strengthen continuously.

The Minister Muhamet Kapllani met also with the chairman of the delegation of Saudi Arabia, the Prince 'Abdallah Bin-'Abd-al-'Aziz and the Saudi Foreign Minister Sa'ud al-Faysal, who greeted warmly the Albanian minister. Over the stay in Dakar, the Albanian foreign minister met and conducted talks also with other delegations of the countries participating in the conference.

Employment Agreement Signed With FRG

AU1112144091 Tirana ATA in English 0959 GMT 11 Dec 91

[Text] Tirana, December 11 (ATA)—In the context of cooperation between the Committee of Labour and Social Assistance of the Republic of Albania and the Ministry of Labour and Social Order of the FR of Germany, the agreement on employment between the government of the Republic of Albania and the government of the FR of Germany, which was signed on September this year in Bonn, was signed in Tirana on December 10.

For the Albanian party the agreement was signed by the chairman of the Committee of Labour and Social Assistance, Teodor Bej, and for the German party by the charge d'affaires a.i. of the Embassy of the FR of Germany in Tirana, Wolfgang Vorwerk.

The three-year agreement enters into force immediately. It envisages employment at the beginning of 500 Albanian citizens in the FR of Germany for a period of 1-18 months. This act will be carried out according to the juridical laws in force and social insurances of the host country.

Dimitrov Declaration on Soviet Developments

AU1112193791 Sofia Khristo Botev Radio Network in Bulgarian 1830 GMT 11 Dec 91

[Declaration by the chairman of the Bulgarian Council of Ministers—read by announcer]

[Text] As prime minister of the Republic of Bulgaria, I express the hope that the changes in the state structure of the Soviet Union will proceed without conflicts and in a peaceful manner, on the basis of agreements between the sovereign republics.

In connection with the recent meeting between the leaders of Russia, the Ukraine, and Belarus in the town of Brest, I feel obliged to say that our country favors a dialogue and development of cooperation with the community that will succeed the USSR, regardless of its structural shape.

This assumes that the community should be formed through negotiations and on the basis of the democratically expressed will of the citizens of the sovereign republics participating in it. It assumes the recognition of the international treaties and obligations of the Soviet Union on the basis of their acknowledgment and adoption (?by the competent organs) in the future structures.

The Republic of Bulgaria, basing itself on its position of principle on peoples' rights of self-determination, expresses its respect and understanding for the wish of the citizens in the sovereign republics that have declared their independence to build their own future.

Guided by the fundamental principles of international law and by the desire to develop relations based on equal rights and mutual advantage with the republics in question, our country, in defining its specific approach to the acts of independence of each republic, considers the following aspects very important:

the state of relations between the individual republics, including the questions of common borders and [words indistinct] state organization;

the existence of effective control over [words indistinct] in the relevant territory and the guarantee of human rights and freedoms;

respect for minorities and the adherence to the principles of democracy; and

assumption of specific commitments to implement their part of the international obligations of the Soviet Union.

I would like to stress that our country has clearly defined foreign policy priorities and associates its further development with a new united Europe and its emerging institutions.

Ludzhev Stresses Nonintervention Policy in SFRY

AU1012205491 Sofia BTA in English 1952 GMT 10 Dec 91

[Text] Sofia, December 10 (BTA) - "Bulgaria will go to war with Yugoslavia only if it is attacked," Mr. Dimitur Ludzhev, Bulgaria's minister of defence, told a visiting NATO delegation headed by General Dieter Klaus, deputy supreme allied commander of NATO military forces in Europe.

Mr. Ludzhev made this statement in answer to a question by a NATO official whether Bulgaria may be involved in a war with Yugoslavia.

Mr. Ludzhev stressed Bulgaria's consistent and principled approach of non-intervention in the Yugoslav conflict.

Army Chief 'Alarmed' by Imbalance in Balkans

AU1012205691 Sofia BTA in English 1956 GMT 10 Dec 91

[Text] Sofia, December 10 (BTA)—"Bulgaria is alarmed by the imbalance of forces in the Balkans, Colonel General Lyuben Petrov, chief of the general staff of the Bulgarian Army, told a visiting NATO delegation headed by General Dieter Klaus, deputy supreme allied commander of NATO Military Forces in Europe.

Gen. Petrov spoke of the ongoing reforms in the Bulgarian Army which will lead to the reduction of its strength but will increase its mobility and its ability to guarantee the country's territorial integrity in accordance with Bulgaria's new military doctrine which gives priority to the principle of reasonable defence sufficiency.

Gen. Petrov expressed his concern over the imbalance of the armed forces in the Balkans that resulted from the Vienna agreements. Gen. Petrov stressed that while Sofia is further reducing its Armed Forces within the framework of the quotas that have been assigned to it as a member of the disbanded Warsaw Pact, Greece and Turkey are replenishing their military arsenals with modern weaponry moved from central Europe. "This imbalance may turn into a factor of instability in the Balkans," the Bulgarian general said. He called on NATO to use every opportunity to redress the balance in the interest of regional security.

At today's official talks the political and military leadership of the Ministry of Defence and the NATO delegation discussed the avenues and mechanisms for cooperation between the Bulgarian Army and NATO. NATO will help the reforms intended to transform the Bulgarian Armed Forces into the corps-brigade type of organization adopted by NATO.

Mr. Ludzhev and Gen. Klaus discussed the possibilities for cooperation between the Bulgarian military-industrial complex and authoritative NATO institutions.

"Openness, trust and cooperation, these are the key words that best describe the current and future relations between Bulgaria and NATO," Mr. Ludzhev told BTA after the talks.

The Bulgarian minister said that NATO appreciates Bulgaria's stabilizing role in the Balkans. The two sides exchanged views on the need to change NATO regional strategy in accordance with and in support of the efforts to solve current problems and improve Bulgaria's relations with Greece and Turkey, Mr. Ludzhev said.

BSP Issues Appeal to 'International Public'

AU1012142391 Sofia DUMA in Bulgarian 4 Dec 91 p 1

["BSP Appeal to the International Public, to the Parliament of CSCE Participating Countries, the Council of Europe's Parliamentary Assembly, the European Parliament, the NATO Parliamentary Assembly, the West European Union Assembly, and the Socialist International: The BSP Sounds Alarm"]

[Text] Dear Friends:

As a result of the 13 October 1991 elections in Bulgaria, the 240 seats in the National Assembly of the Republic of Bulgaria were divided among three political forces: the Union of Democratic Forces (SDS)—110 deputies, the Bulgarian Socialist Party (BSP) and coalition—106 deputies, and the Movement for Rights and Freedoms (DPS)—24 deputies.

Already with the beginning of the new parliament's work, a serious danger cast a shadow over the young Bulgarian democracy. The draft bill on confiscating all of the BSP's property, submitted by SDS leader Filip Dimitrov—who was subsequently confirmed as prime minister with DPS support—evokes special concern among the Bulgarian public. In essence, this is the beginning of an extraordinary piece of legislation that is aimed at annihilating the opposition in an administrative rather than a judicial manner. The Bulgarian Antifascist Union faces the same blow. This is a blasphemy against the memory of those who perished in the struggle against fascism. Deliberate attempts are also being made against the fate of other public organizations.

The threat by DPS leader Ahmed Dogan to introduce a draft bill on banning the BSP, a threat he made at the opening session of the new parliament, evokes concern about the fate of political pluralism and more specifically about the peaceful transition toward democracy that distinguishes Bulgaria from other countries.

Political tension is also being exacerbated as a result of the frequent cases of persecution made on the basis of political convictions. There is much evidence that proves that socialists in Bulgaria are being fired before anyone else. This includes even former members of the Grand National Assembly, who contributed to working out the current democratic Constitution, and BSP candidates in the October 1991 elections.

The BSP and the Parliamentary Union for Social Democracy (PSSD), of which the BSP is a member, confirm their willingness and readiness to participate very actively, even now, as the opposition in changing the country's economic and political system and to further contribute to preserving civic peace and strengthening the democratic process.

Simultaneously, the BSP and PSSD are full of determination to work with all the political factors that cherish democracy and a peaceful transition in preventing the renewed establishment of an undemocratic regime in Bulgaria. Such a development would be a dangerous internal provocation and would also hinder Bulgaria's integration into democratic and civilized Europe.

Two years ago, the BSP became the initiator of the peaceful transition toward democracy and until this moment it continues to be one of the basic political forces that consistently works for implementing a radical reform in the country's political and economic sphere. Therefore, the party will further defend both the achievements of the young Bulgarian democracy and the transition toward a market economy, at the lowest social price.

We would like to hope, dear friends, that you will continue to closely observe with interest the development of the socioeconomic processes in Bulgaria. We also believe that your authoritative positions, understanding, and criteria of democracy and political pluralism will be adopted and applied by the ruling coalition in Bulgaria, which now needs, not a demonstration of force, but understanding and agreement.

The BSP and PSSD will spare no efforts in their striving to defend democracy in Bulgaria.

Respectfully,

Prof. Nora Ananieva, PSSD chairman
Prof. Aleksandur Lilov, chairman of the BSP Supreme Council

International Civil Rights Protocol Ratified

AU1012171391 Sofia BTA in English 1615 GMT 10 Dec 91

[Text] Sofia, December 10 (BTA)—Parliament ratified today the optional protocol to the International Convention on Civil and Political Rights. This followed a declaration by Stefan Savov, chairman of parliament, marking the anniversary of the adoption of the Universal Declaration of Human Rights.

Bulgaria's accession to the protocol was repeatedly discussed by the country's former socialist governments which, however, failed to take a clear-cut decision. It was in September this year that the problem was finally solved by Bulgaria's former coalition government.

Bulgaria ratified the international convention on civil and political rights in 1970 but ideological considerations prevented it from acceding to the protocol.

The country's position on the convention relating to the status of refugees will probably be discussed in the near future.

Ministry Reports Illicit 'Red Mercury' Trade

AU1112202291 Sofia BTA in English 2008 GMT 11 Dec 91

[Text] Sofia, December 11 (BTA)—The Ministry of Internal Affairs has been receiving information that raw and prime materials and substances which represent serious health and environment hazards are illicitly traded in Bulgaria, the BTA learnt today from the ministry's Press Centre.

On several occasions the law enforcement authorities have detected and seized quantities of a substance known as "red mercury," which sells readily in the black market.

Experts have determined that the substance is an industrial mix of different components, including some strongly radioactive and toxic ones. When "red mercury" comes in contact with the skin, the mucous membranes and the respiratory organs, it has irreversible, including lethal effects on the human body. Under definite circumstances the substance is violently explosive and has a powerful destructive action, the press release says.

The metal containers in which the "red mercury" was detected and seized are not safe, the ministry announces, and calls on the public for cooperation.

National Assembly Abolishes 9 Sep National Day

AU1012191991 Sofia BTA in English 1816 GMT 10 Dec 91

[Text] Sofia, December 10 (BTA)—This year the Bulgarians will celebrate Christmas officially for the first time. The former parliament announced only December 25 a holiday.

Parliament passed an act this evening under which Christmas Eve, Christmas and the first day of Christmas week. [sentence as received] The motion was made by Hieromonk Khristofor Subev of the Union of Democratic Forces [SDS]. Bulgarians have always celebrated Christmas though they were half-legal under the communist regime because of their religious nature.

The act passed today cancels the celebration of September 9 as "the Day of Freedom." While in opposition in the Grand National Assembly, the SDS insisted that September 9 should no longer be celebrated as an official holiday and as "the Day of Freedom." (On September 9, 1944, the Communists staged a takeover with the help of the Soviet Army.) However, the Socialist majority in the former parliament voted down this motion.

The faction of the Bulgarian Socialist Party reacted strongly against the act passed today. "The holiday of a single party can by no means be celebrated as a holiday by a whole nation," SDS floorleader Aleksandur Yordanov said.

Podkrepa Decisions on SDS, Government Ties

AU1212130091 Sofia PODKREPA in Bulgarian 7 Dec 91 p 1

["Three Important Decisions of the Podkrepa Labor Confederation Council"]

[Text]

Podkrepa Labor Confederation Council Decision on Relations With Union of Democratic Forces [SDS]

Noting the degree of democratization of sociopolitical life and the SDS victory in the parliamentary elections;

Taking into consideration the possibility of being relieved of the Confederation's political commitments, which were assumed because of the political necessities and the desire to cooperate in actively democratizing the Bulgarian society;

Noting the request of the Confederation's regional and trade union organizations;

And considering regular consultations as a sufficient and generally accepted trade union form of partnership with the political forces,

The Confederation Council of the Podkrepa Labor Confederation decided:

1. To withdraw its status as observer at the SDS Coordinating Council;

2. To instruct the Executive Council of the Podkrepa Labor Confederation, together with the SDS National Coordinating Council, to find an appropriate form of permanent contact for preserving the ally relations between the two organizations.

Confederation Council of the Podkrepa Labor Confederation
President: Dr. K. Trenchev

Podkrepa Labor Confederation Council Decision on Government's Social Policy

Noting the results of the tripartite cooperation that have been achieved;

Noting the role of social partnership in the complex political and economic situation of the transition period;

And taking into account the experience in tripartism of countries with a developed democracy,

The Podkrepa Labor Confederation Council decided:

1. To recommend to the government to consider with maximum responsibility the possibility that social dialogue could be violated;

2. To recommend to the government to cooperate in creating a mechanism of social dialogue with responsibilities, rights, and obligations that correspond to the existing ones;

3. To stress that, if the government violates social partnership, it will carry the full blame and responsibility for the consequences.

Confederation Council of the Podkrepa Labor Confederation
President: Dr. K. Trenchev

Podkrepa Labor Confederation Council Decision on the Upcoming Presidential Elections

The Podkrepa Labor Confederation calls upon its 700,000 members to vote in the upcoming presidential elections in accordance with their conscience, and recommends to the confederation member-organizations to refrain from committing themselves in the election campaign.

Spirov, Glushkov Leave United Agrarian Party

AU1012170891 Sofia Khorizont Radio Network in Bulgarian 1600 GMT 10 Dec 91

[Text] Ivan Glushkov and Boris Spirov, the founders of the Bulgarian National Agrarian Union [BZNS] and the Future Movement, are giving up their memberships in the Initiative Committee of the BZNS-United and leaving the union.

The reason for their protest action is the totalitarian attitude of the BZNS-United leadership, led by Tsenko Barev and Victor Vulkov, to the BZNS and the Future Movement, the ban imposed on the ZEMEDELSKO ZNAME newspaper publishing information on the initiative committee for renewing the union, and blatant violation of the Agrarian Union statute. Through their decision, Glushkov and Spirov hope to put a stop to the unfounded accusations made against them of wanting to split the BZNS.

Burgas Port, Arsenal Plant Strikes Continue

AU1112212891 Sofia BTA in English 2049 GMT 11 Dec 91

[Excerpts] Sofia, December 11 (BTA)—[passage omitted] The National Assembly passed on second reading a shops and other premises restitution act, covering property expropriated or compulsorily purchased at giveaway prices by the state under the communist regime. This act practically launched restitution in Bulgaria. [passage omitted]

x x x

Stevedores in the port of Burgas are on strike for a second day now, paralyzing the country's largest sea port which handles nearly half of Bulgarian imports and exports. The strikers, who want higher pay, started negotiations with the Ministry of Transport today.

The strike at the Arsenal Military Plant, which went into its eighth day today, has so far caused losses estimated at 10 million dollars. The company executives today signed a decision describing the strike as a destructive act targeted against the company and the state. [passage omitted]

Arsenal Strike Proposal Submitted

AU1212110791 Sofia Khorizont Radio Network in Bulgarian 1000 GMT 12 Dec 91

[Text] On 12 December Ivan Pushkarov, minister of industry and trade, informed the economic leadership and collective of the Arsenal Company in Kazanluk that he had submitted a proposal to the Council of Ministers to transform the enterprise into a commercial company.

The necessary documents for this had been submitted even before the strike started. Thus, one of the basic demands of the striking workers has been met.

Latest Data Show 402,065 Registered Unemployed

AU1012195191 Sofia BTA in English 1923 GMT 10 Dec 91

[Text] Sofia, December 10 (BTA)—402,065 Bulgarians were registered as unemployed by December 5, while vacancies totalled 11,096. The chief of the National Labour Exchange told journalists that in 1992 the number of unemployed will reach up to an estimated 645,000. 251,555 of them will be receiving benefits, for which 1,602 million leva should be allocated.

700 million leva were paid in unemployment benefits this year. The budget provided 65 million leva, while the rest of the money was raised and distributed by the job centres from the professional training and retraining fund.

Papers' Circulation, Popularity Figures Published

AU1212085891 Sofia BTA in English 0801 GMT 12 Dec 91

[Text] Sofia, December 12 (BTA)—At present "DUMA," the daily of the Bulgarian Socialist Party (BSP), is the newspaper with the largest circulation in Bulgaria (250,000). It is followed by "24 CHASA, (200,000), "DEMOKRATSIYA" - the daily of the Union of Democratic forces (SDS) - 186,000, and "TRUD," - the daily of the Confederation of Independent Trade Unions - 90,000. These figures were reported by the editors of the respective publications.

Here is their rating according to a poll conducted by the Center for the Study of Democracy in September: "DEMOKRATSIYA" 23.7 per cent, "TRUD" 21.5 per cent, "DUMA" 19 per cent and "24 CHASA" 18.5 per cent. According to the results of the same poll, 60.5 per cent of the respondents read "DUMA," 59.9 per cent read "DEMOKRATSIYA," 49.9 per cent read "TRUD," and 44.1 per cent read "24 CHASA." In the last three months the popularity of "24 CHASA" has grown considerably. No wonder: It is a new daily and its unbiased presentation of the information wins public.

One week before the end of the 1992 subscription campaign it has become clear that the same four dailies will have the largest circulation next year. In 1992 "DUMA" will have 60,578 subscribers, "TRUD" 36,891, "DEMOKRATSIYA" 31,655 and "24 CHASA" 14,199. At present "DUMA" has 119,200 subscribers, "DEMOKRATSIYA" 82,869, and "TRUD" 63,000. "24 CHASA" has almost no subscribers.

Dobrovsky Welcomes Lifting of U.S. Arms Embargo

AU1212120791 Prague CSTK in English 2057 GMT 10 Dec 91

[Text] Prague Dec 10 (CSTK)— Czechoslovak Defense Minister Lubos Dobrovsky and U.S. Secretary of Defense Richard Cheney today signed an agreement on cooperation in topography, geodesy, geophysics and the processing of digital territorial data.

Under the agreement, both sides will provide each other with cartographic, geodetic and geophysical data.

After a two-hour meeting on European security issues with Cheney, who arrived here this morning from Hungary on a two-day visit, Dobrovsky told journalists that last week's lifting of the 30-year U.S. embargo on arms sales to Czechoslovakia, Poland, and Hungary was a "very positive" step.

But he pointed out that the Czechoslovak Army's current budget does not provide for weapons purchases. "We will look for other ways to take advantage of the offer," he said.

Czechoslovak Deputy Premier and Foreign Minister Jiri Dienstbier met today with Cheney to compare views on the collapse of the Soviet Union.

Dienstbier said they discussed the issue of control over nuclear weapons in the former union republics. Cheney expressed interest in Czechoslovakia continuing to be a guarantee of stability in Central Europe.

Czechoslovakia needs not just agreements and declarations, but concrete ties to the West, stressed Dienstbier in his talks with Cheney. "Namely, American investment and access to West European markets and the entire infrastructure," he specified.

Also today, Cheney was introduced to several members of the Czechoslovak anti-chemical unit that was stationed in Saudi Arabia from December 1990 to August 1991, and to inspectors who worked from June to October in the United Nations Special Commission for the Liquidation of Chemical and Bacteriological Weapons in Iraq.

Omnipol Director Views Arms Sales to Pakistan

AU1112152591 Prague MLADA FRONTA DNES in Czech 9 Dec 91 p 9

[Interview with Stanislav Kozeny, director general of Omnipol, by Viliam Buchert between Canton and Prague; date not given: Our Arms Exports Are Also a Political Issue"]

[Text] Some information on arm sales has also emerged within the context of Prime Minister Calfa's visit to Pakistan and China. Therefore, we asked Stanislav Kozeny, director general of Omnipol [foreign trade company], who travelled with the delegation, as a member of the group of Czechoslovak industrialists, for an interview:

[Buchert] In an interview for our paper, Foreign Trade Minister Jozef Baksay said that the government has not granted anyone permission to sell arms to Pakistan. Nevertheless, you allegedly led successful negotiations in Islamabad.

[Kozeny] Pakistan is a partner of long standing, and we signed a contract on the sale of ground technology. Of course, exports are subject to permission from the Federal Ministry of Foreign Trade (according to our editorial office's sources, however, a Federal Ministry of Foreign Trade representative directly participated in the negotiations in Islamabad, and this puts the question of permission into a completely different light—author's note).

[Buchert] Have you also offered our arms for sale in China?

[Kozeny] It was only market analysis. So far, we have not supplied anything there.

[Buchert] Where in the world are your best customers?

[Kozeny] Mostly in Africa. It used to be the Middle East, but our government's measures make exports to this conflict-stricken region impossible.

[Buchert] Specifically, how many countries does this involve?

[Kozeny] There are several dozen of them.

[Buchert] Has Czechoslovak Government policy recently deprived you of any of your significant contracts?

[Kozeny] Yes, the recent case of Iran, for instance, is well known to the public.

[Buchert] Our economy is in great difficulty. Do you not think that limiting exports of Czechoslovak arms will further deepen this crisis?

[Kozeny] Definitely, but Omnipol understands and respects the policy of the Federal Government.

[Buchert] Do you feel the impact of unfair competition in your once exclusive sector? How is it in other countries?

[Kozeny] There have been some attempts by private companies to sell arms and technology, for instance, even to Pakistan, a country we just visited. These enterprises have neither a license nor contracts with our producers. It is a dirty business, and not only because these "companies" accept half the regular prices. It is much more important that, theoretically speaking, this could involve arms sales to conflict-stricken regions via third countries.

[Buchert] So, what is the general situation in our arms exports?

[Kozeny] The volume is rapidly declining, particularly as a result of the disintegration of the Soviet market.

[Buchert] Is it at all possible to make the Czechoslovak arms trade public to the point of dispelling doubts concerning its respectability?

[Kozeny] It would be possible technically, but commercially, because of competition, any information would be sheer madness. I would like to point out that arms sales are also a political issue for us.

[Buchert] Arms exports are declining. Will this also have an effect on OMNIPOL's operation?

[Kozeny] This year, arms represent 60 percent of our turnover, and we expect that this figure will be smaller next year.

[Prague MLADA FRONTA DNES in Czech on 10 December on page 11, in the "From Home" column, publishes a 40-word report that adds: "Special-technology shipments to the Pakistani Army were the subject of negotiations by Tatra Koprivnice and OMNIPOL directors who, together with the Federal Foreign Trade Ministry section, even met with the Pakistani Armed Forces chief of staff."]

Hungarian Envoy on Republic Issues, Dam Dispute

AU1012201591

[Editorial Report] Prague RUDE PRAVO in Czech on 6 December on pages 1 and 13 carries a 1,500-word interview with Gyorgy Varga, Hungarian ambassador to Czechoslovakia, by Jan Zizka entitled "We Have No Territorial Claims." The interview, the place and date of which are not given, deals with the Hungarian view of the Czech-Slovak dispute and with Hungary's stand on the possible breakup of Czechoslovakia. An interview with Gyorgy Varga is also published by Prague LIDOVE NOVINY in Czech on 6 December on page 3. The 500-word interview, the place and date of which are not specified, was conducted by a "jas"-signed LIDOVE NOVINY correspondent and concerns the outcome of the Czechoslovak-Hungarian talks on the Gabcikovo Danube dam that were held in Budapest on 2 December.

In his interview for RUDE PRAVO, Gyorgy Varga assesses the situation in Czech-Slovak relations. He says: "The key to the stability of Central Europe lies in Czechoslovakia or, to be more precise, in Slovakia. The period before the next elections, and immediately after them, is crucial. After the elections, it will become apparent whether cooperation between politicians elected in the Czech Republic and in Slovakia will be possible. I see the situation as very grim, however. Irrational political elements and the personal ambitions and interests of individual politicians are being asserted here. I have no illusions about the shape of a Slovak state, no matter how democratic it would be. It would be a state of a different quality than present-day Czechoslovakia."

Asked by RUDE PRAVO how Hungary would react to the possible breakup of Czechoslovakia, Varga says: "In no case would we raise territorial claims as is often being said. Hungary has no intentions in this regard and, above all, no means by which it could implement them. Territorial claims can be asserted by means of an army. No one can seriously believe that we would occupy Slovakia's territory in the event of Slovakia's independence. Logically, our attitude toward a Slovak state, should one be established, would be different [than our attitude toward Czechoslovakia] because it would be a new entity, a new partner. It would be necessary to thoroughly think through these relations." The ambassador adds that "Hungary does not hope for the breakup of Czechoslovakia, as it would run counter to the positive European trend toward integration."

Varga is also asked how Czechoslovakia's breakup would affect the position of the Hungarian minority in Slovakia. He says: "I do not want to speak about this issue because I am the ambassador of citizens of the Hungarian Republic and not of Czechoslovak citizens of Hungarian nationality. Nevertheless, I am in contact with them. Most of them are afraid of the possibility of the creation of an independent Slovakia. They would certainly defend themselves if assimilation attempts were made. The existence of Czechoslovakia is quite a reliable guarantee of human rights."

In the remaining replies, Varga advocates the opening of additional border crossings between Slovakia and Hungary to make it "a border of Western type, like the border between France and Germany". He expresses reservations about Czechoslovakia's "too strict" screening law and emphasizes the importance of closer cooperation between Czechoslovakia, Hungary, and Poland.

In his interview for LIDOVE NOVINY, Varga qualifies the outcome of the recent Hungarian-Czechoslovak talks on the Gabcikovo hydroelectric power project as a "partial failure." While the two sides agreed on one issue—the request for help from EC experts—they failed to agree on other issues: "We did not come to an agreement on two fundamental issues. We cannot give support to the Czechoslovak intention to put the power station into operation at any rate, even if joint research clearly demonstrated that it cannot seriously jeopardize the environment. And, second, we did not accept the continuation of activities aimed at the implementation of the 'C' variant, which is a one-sided solution without the slightest indication of a compromise. If there ever was an ultimatum, it is precisely this point."

Varga emphasizes that Hungary does not insist on suspending all work on the project on the Czechoslovak territory but only on "suspending those activities that are irreversibly aimed at the implementation of the 'C' variant."

Assessing the situation after the Budapest talks, Varga says: "The situation has changed to its very opposite. Before [the talks], the Hungarian parliament gave its experts a mandate with a very narrow room for maneuvering. This space has now been expanded on the Hungarian side, and we bear witness to the Czechoslovak side retreating into more narrow positions."

Government Amends, Approves 1992 Budget Draft

AU1112161591 Prague HOSPODARSKE NOVINY in Czech 9 Dec 91 pp 1-2

[Jozef Prouza report: "Shifts in Social Spending"]

[Text] A draft federal budget, including a single subsidy of 5 billion korunas for the republican budgets, was approved at a CSFR Government meeting in Prague on 8 December. According to Federal Deputy Prime Minister Vaclav Klaus, ministers mainly discussed regulations pertaining to taxes, social care, and unemployment.

Draft amendments to several laws were accepted. The tax on income over 10,000 korunas will increase (if the draft passes in the Federal Assembly). In the sphere of unemployment, the Federal Government proposes to reduce the period for which unemployment benefits are paid from 12 to six months and to shorten this period if the applicant is undergoing a retraining program (from an unlimited period to six months). It will be impossible to simultaneously receive unemployment benefits and severance pay. Unemployment benefits will be reduced from 65 to 60 percent (to 50 percent in some cases).

In the opinion of the Federal Government, the minimum amount of the benefits should be abolished and a maximum should be fixed at 3,000 korunas (3,600 korunas in case of retraining) instead. The proposal to stop paying state compensatory allowances to economically active people was accepted. This will save 12 billion korunas in the budget. The government will also attempt to eliminate payment of pensions if wages or salaries are earned. This does not apply to the first five years of retirement (60 to 65 years of age in case of men) if the job does not require more than 60 working days per year (i.e., 510 hours). According to Klaus, this measure is quite marginal from the point of view of the total sum in the social sphere—total expenditures will rise 9.1 percent (expenditures from the budget as a whole will rise 4.6 percent, that is, significantly less).

With respect to the Brno meeting [on the budget held on 4 December], corrections were made to the budget. On the credit side of the budget, new estimates of customs and import markups were made. On the debit side of the federal budget, the following items were increased: budgets of the CSFR Interior Ministry (700 million korunas), Railroad Ministry (500 million korunas for non-investment subsidies), radio, television, and CSTK (190 million korunas). The statistical information system will receive additional 50 million korunas. Subsidy for the Market Regulation Fund was reduced by 1 billion korunas. The so-called extra costs [vicenaklady] for the gas pipeline projects in the Soviet Union will be eliminated from the budget and covered from the state financial assets. "It would be incorrect to say that the Brno meeting on Wednesday caused some radical change," added Klaus.

Vojtech Mechura, deputy minister of labor and social affairs, drew attention to the fact that the indexing of pensions must be postponed. It is expected that the indexing will be postponed for approximately three months, that is, until 1 June 1992. A total of approximately 1 billion korunas will be saved by this. According to Mechura's estimate, the shift in expenditures may bring between 1.5 and 2.5 billion korunas per year.

The budgets are drafted as balanced budgets. With respect to the given process of their approval in the National Councils and the Federal Assembly, it will be necessary to immediately familiarize the partners in the Federal Tripartite Council with the draft, so that the Council may discuss it as early as its meeting on 10 December. When asked by HOSPODARSKE NOVINY whether the standpoint of the Council of the Economic and Social Accord will be taken into account if changes are made to the budget, Vaclav Klaus said that, because of time pressure, the drafts will be simultaneously presented to the legislative organ [and the council]. When asked whether the federal deputy prime minister anticipated a deficit in the 1991 budget, Klaus replied that he did not.

Assembly Postpones Debate on President's Bills

LD1212142491 Prague CSTK in English 1155 GMT 12 Dec 91

[Text] Prague Dec 12 (CSTK)—The chairman and vice-chairmen of the Czechoslovak Federal Assembly (parliament) and leaders of political groups in the parliament decided yesterday to put off a debate on President Vaclav Havel's bills to the parliament's meeting in January.

The reason for the postponement is that the parliament has not yet received any comments on some bills from the Slovak Parliament.

The parliamentary leaders also agreed to suspend the current 19th session of the parliament, resume it on December 17 and continue until December 22.

Assembly Declares CPCZ Property Deals Invalid

AU1212121491 Prague CSTK in English 1557 GMT 10 Dec 91

[Text] Prague Dec 10 (CSTK)— The Czechoslovak Federal Assembly (parliament) today approved a revision of the Commercial Code that is intended to prevent manipulation during the transfer to the state of property formerly belonging to the Communist Party (KSC) and the Socialist Union of Youth (SSM).

The revision, which applies retroactively, states that contracts made between state enterprises and the economic bodies of communist institutions created after the fall of the communists in late 1989—the Communist Party of Bohemia and Moravia (KSCM, the Czech successor to the KSC), the Slovak Communist Party (KSS), the Party of the Democratic Left (SDL, successor to the KSS), the Communist Party of Czechoslovakia (KSCS, federal successor to the KSC), and the Union of Youth (SM, replacing the SSM)—on the temporary use of property from December 31, 1989, to December 31, 1990, cease to be valid at the end of this year.

Debate also began today on government-proposed revisions of the Criminal Code.

Federal Deputy Premier Pavel Rychetsky explained that many of the changes are required to bring the code in line with the Charter of Fundamental Rights and Freedoms, passed by the Federal Assembly last January.

Havel on Why Communists Should Not Be Banned

AU1112145891 Prague CESKE A MORAVSKOSLEZSKE ZEMEDELSKE NOVINY in Czech 10 Dec 91 p 2

[CSTK report: "V. Havel Explains"]

[Text] Prague—President Vaclav Havel met with 300 members of the Czechoslovak Confederation of Political Prisoners [KPVC] in Prague's Hotel Belvedere yesterday evening. Among other things, he explained to them why the communist party has not been banned in Czechoslovakia. He declared that the former Communist Party of Czechoslovakia committed many crimes and was responsible for a great deal of wrongdoing. However, the president also emphasized that the communist party has not committed anticonstitutional acts in the post-November period. "As long as it does not do anything to violate the legal code, there is no reason to ban the communist party," he said. The president also supported Czechoslovak Television Director Jiri Kanturek who, according to statements made by the KPVC, should immediately resign from his post. Vaclav Havel rejected the view that Director Kanturek is deliberately distorting television news reports for political reasons.

List of Alleged StB Collaborators Discussed

AU1112142291 Bratislava NARODNA OBRODA in Slovak 10 Dec 91 p 1

[CSTK report: "List of StB Agents in CSTK!"]

[Text] Prague—The existence of a list of so-called collaborators of the State Security Corps [StB] that is circulating among the public was confirmed yesterday. The list, which comprises more than 80 names, was handed to CSTK by a representative of the Anticommunist Alliance, who does not wish to be identified in public.

The list's heading states that it was "issued by the Documentation Center for the Crimes of Communism operating under the Anticommunist Alliance." The list includes the names, including code names, registration numbers, addresses, and birth dates of persons from the ranks of scientists, artists, university teachers, journalists, government officials, diplomats, and other professions. CSTK has not succeeded in ascertaining any details concerning the list's authenticity and origin and the sources on which it drew.

According to Frantisek Starek, spokesman for the Federal Security and Information Service [FIS], only the Federal Ministry of Interior, the Commission Investigating the Events of 17 November [1989], and the FIS itself have official access to information on the StB's network of agents. Frantisek Starek learned about the existence of the list of alleged StB collaborators only from CSTK and, as he told its correspondent, should it turn out that the information leaked from the FIS, the secret service's inspection body will deal with the issue. No such investigation is under way in the FIS at present, Frantisek Starek added.

Peter Toman, spokesman for the Parliamentary Commission Investigating the Events of 17 November, told a CSTK correspondent that the existence of the above list of alleged StB collaborators was nothing unusual and that he had seen the list. He added that he is not authorized to either confirm or disprove its authenticity. He would only do so on the basis of some legal regulation.

Air Defense Briefs Media on Airspace Violations

LD1112190491 Budapest Kossuth Radio Network in Hungarian 1700 GMT 11 Dec 91

[Excerpts] The Hungarian-Yugoslav border has been relatively calm for a few weeks, at least regarding airspace. However, Hungarian Border Guard radar units continue to carry out continuous observations in the border zone. Hungarian air defense leaders met journalists today. Correspondent Csaba Belenesi was there:

[Belenesi] No specific measures have been taken by the Hungarian air defense troops due to Yugoslavian events, said Colonel Gyorgy Pferlinger, which obviously means that the rocket troops are not in a state of battle alert. Meanwhile, the aviation troops are on a higher than average alert status.

This means a change in quality, not quantity, said the deputy Hungarian air defense commander, although, there was a time when one-third of the navigation staff were on alert.

In an important change, they have eased the strongly centralized leadership methods for the sake of speed. Chief officers near the border are allowed to make a greater range of decisions.

All these measures mean extra expenses for Hungarian air defense, in the range of 100 million forints, this sum does not include the fuel consumption of the aircrafts.

Colonel Gyula Kiss told journalists that since 23 August six forward-based measuring points, that is radar units, have been operating in the Yugoslav border area from Porszombat to Asotthalom. [passage omitted]

By the way, since August Hungarian border guards have tracked 2,097 Yugoslav military aircraft. Of these, 17 violated the Hungarian border, the rest flew on the other side. Since the recent agreement, the Yugoslav party has taken good care to make sure that their aircraft do not come nearer to the Hungarian border than 10 kilometers.

Antall Praises Gorbachev Historic Political Role

AU1112125591 Budapest NEPSZABADSAG in Hungarian 9 Dec 91 p 3

[Unattributed report: "Open Negotiations in a Gentlemanly Atmosphere"]

[Excerpt] [passage omitted] During a news conference that lasted until after midnight [6 December], Prime Minister Jozsef Antall also answered NEPSZABADSAG's questions.

[NEPSZABADSAG] Despite all the existing difficulties, you spoke with respect about the historic changes linked to Mikhail Gorbachev's name. Would you give us some details here in Budapest?

[Antall] Nobody can deny that Gorbachev's political initiative in 1985 paved the way for a historic transformation. There were probably several reasons behind his realization, but this process made it possible for our region to change peacefully. Gorbachev's policy in the Central and East European bloc and in the system of world communism has definitely been historic. I also said this during the days of the Moscow coup. Our meeting this time was given a particular atmosphere because we sent Mr. Gorbachev a telegram of greetings when he was being held captive in the Crimea, and I spoke with President Yeltsin when he was being surrounded. They both thanked me with great emotion this time. I also thought it necessary to present the Hungarian viewpoint in Moscow: Regardless of the fact that Gorbachev's historic era has probably ceased to exist in its past form, nobody can question his feat as a human being and statesman. If someone is in a difficult situation—because he is under surveillance during a coup, or because of political difficulties—political honor demands that we voice our opinion. Indeed, contrary to public opinion, there is also room for honesty in politics. [passage omitted]

Horn Views Romanian Relations, Ukraine, SFRY

AU1112094491 Bucharest ROMANIA LIBERA in Romanian 6 Dec 91 pp 1, 8

[Interview with Gyula Horn, chairman of the Hungarian Socialist Party and chairman of the National Assembly's Foreign Affairs Committee, by Cristina Terenche; place and date not given: "Only by Talking Clearly and Openly Can We Continue Our Dialogue"]

[Text] Recently a delegation of the Hungarian National Assembly's Foreign Affairs Committee, led by Mr. Gyula Horn, chairman of the Hungarian Socialist Party, paid a visit to our country. At our request, Mr. Horn was kind enough to answer questions relating to the results of this visit.

[Terenche] There was a statement on Romanian Television according to which you expressed appreciation for the democratic character of the constitution worked out by the Romanian Parliament. Did you do that?

[Horn] I am sorry that the Romanian mass media failed to report the exact meaning of my statement. I only noted that in adopting this constitution, steps toward democracy were taken, and there are still aspects in connection with the rights of ethnic minorities in Romania, that should be further discussed.

[Terenche] Being present at several meetings that you held with Romanian parliamentarians, I noted the stress that you laid on the Covasna Harghita Report. Was that the reason for your visit to Romania?

[Horn] We came here to continue the discussions that we started with Mr. Corneliu Manescu in April in Bucharest, as well as to meet with parliamentarians representing various parties and discuss with them certain specific

issues. One should stress that, since April, several important events have taken place in Romania, such as the Covasna-Harghita report [dealing with the ethnic dispute in these counties] and the endorsement of Romania's Constitution. We did not want to leave the impression that we are insisting too much on the issues raised by the Covasna-Harghita report, which is a matter for your country's domestic policy. However, we wanted to make clear certain aspects: Why was this report needed? Why had it been discussed in Parliament shortly before the Constitution was adopted, and what kind of a report is it that takes account of certain statements without examining them, even though they are very serious accusations from a juridical point of view? What is the basis for the statement that somebody from Hungary was involved in those events?

This is an important question, because on this basis very serious things were said in the parliamentary debate, things that approach a political level. The Romanian parliamentarians who were included in the commission that drew up the report could not answer all our questions; thus, we are led to believe that it was a deliberate act, aimed, in our delegation's view, at creating an atmosphere of enmity against Hungarians in Transylvania as well as against Hungary. Therefore, we suggested an objective examination of this aspect with possible international participation.

[Terenche] The Romanian parliamentarians reproached Hungary because it allows the publication of biased opinions in connection with the Hungarian population in Romania....

[Horn] We do not have censorship;, such a thing cannot exist in our country. Each person can express and support his own views. Therefore, we suggested that Romanian politicians should also express themselves in the Hungarian mass media, but we have not noted any positive reaction to this proposal. Then, I asked for concrete examples. A deputy—I believe he was a National Salvation Front deputy—said that there is an hysterical anti-Romanian activity taking place in Hungary. I asked him for concrete proof in support of this statement, but he did not answer me. We cannot clarify matters in this way, by throwing around words with no foundation.

[Terenche] Can I assume that you are pleased with the results of your meetings?

[Horn] I think that we succeeded in talking clearly and openly with each other. Only in this way can we continue our dialogue. There are no delicate problems that have to be avoided. We invited Romanian parliamentarians to Budapest to continue the discussions and, at a governmental level, we will update the treaties between the two countries. I am sure that important steps have been taken toward improving Romanian-Hungarian relations. Hungary wants to enter Europe, but not alone; it wants to enter Europe together with Romania, with which it has not only common borders but also a common history and a common culture.

[Terenche] In your capacity as head of the Foreign Affairs Committee of the Hungarian National Assembly, would you please tell us your country's position regarding events in Yugoslavia?

[Horn] As far as the armed conflicts in Yugoslavia are concerned, we believe that all possible measures to put an end to the war have to be taken at an international level, such as recognizing Slovenia's independence, as well as the independence of each republic that wishes it, and maintaining the embargo until the conflict is over.

[Terenche] ...and what about the results of the referendum in the Ukraine?

[Horn] We respect the result of the referendum in the Ukraine. Therefore, the Hungarian Consulate in Kiev has been turned into an embassy. However, my private opinion is that the recognition of the Ukraine's independence should be connected with the position of the group of 12 and with Moscow's position.

[Terenche] Do you believe that the countries of the former communist block no longer need a CEMA-type organization?

[Horn] As an organization, they do not need it. However, for the time being, they still need to continue and strengthen fundamental relations based on the principles of a new economy.

[Terenche] Thank you.

Kupa Submits Budget Bill to National Assembly

LD1112214591 Budapest Kossuth Radio Network in Hungarian 0936 GMT 10 Dec 91

[Speech by Finance Minister Mihaly Kupa submitting the 1992 budget bill to the National Assembly in Budapest—live]

[Excerpts] Esteemed National Assembly, Mr. Speaker, Ladies and Gentlemen: [passage omitted]

My esteemed fellow deputies, despite all our efforts, in 1991 the state budget deficit is expected to overstep the magic 100-billion-forint threshold. This deficit is a nadir. In evaluating it, however, we have to take it into consideration that the problems which arose in the budget basically concerned income. With regard to the management of the 1991 budget, I consider it a very significant result that, in spite of repeated predictions—there were those who predicted quarterly that the Hungarian economy, the Hungarian budget, would collapse, that the self-governments would get into an impossible situation. Neither the Hungarian economy nor the Hungarian budget collapsed, nor did the self-governments. So, it was not a good budget, but it was a sustainable one.

From a budgetary viewpoint, the beginning of 1991 was not too favorable. On account of overpayments in 1990 we had to pay 10 billion forints back to the managing organs at the start of the year, and this worsened the budget situation. The budget's income situation was weak in any case because parliament's final decision last year presupposed optimistic tax revenues which were not borne out. The problem facing us at the outset were compounded because, independent of this, as I have said, on account of the bigger than expected drop in production and the decline in consumption, there was a considerable shortfall both in general turnover tax and in consumer tax. Here the arrears in revenues was about 25 billion forints in 1991. There is nothing to offset this large hole in revenue. Revenues did not increase exceptionally nor too dynamically from other types of taxes either. For this reason, this represents a real revenue shortfall which served to increase the deficit.

Despite the revenue shortfall, a decisive role in preventing the collapse of the budget was played by the government's pursuit of a consistent policy regarding expenditures.

In order to reduce social tensions, we brought in the energy price rises later than originally planned. This meant a 10-billion-forint increase in budgetary expenditures— but for socio-political reasons. Apart from this, at the Interest Coordinating Forum, we agreed on a further 5 billion forints to compensate for energy price rises. So, these were steps motivated by welfare.

There were also other extra expenditures, such as the administrative courts set up by the decision of the Constitutional Court which meant extra expenditures. Significant additional expenditures were generated by developing the Compensation Office, and supplementary expenditures cropped up, for example, in school textbook publications as well.

Taking all this together, if you look at the 1991 balance that appears in the first volume [of the 1992 budget], you can see that despite all this, the central organs of state control saved 2 billion forints. Thus, it is untrue that this has been one of the biggest-spending governments of all time.

According to the data presented to you on the expected balance, the 851 billion forint main expenditure has been reduced by about 12 billion forints, so this is a savings on expenditures.

On the revenue side, the cutback is 6 billion forints. This is the reason for the greater than planned deficit.

Behind this process, however, please notice a positive trend, because in 1991 we did save on total expenditures. While expenditures were 48 billion more than planned in 1989, in 1990 the excess was 33 billion forints. For this reason we did not have to place a burden on the population because we did not increase the expenditure side and we put up with the loss of revenue.

Today we cannot yet evaluate 1991 fully and finally, but I believe that we were able to fulfill through the budget some of what the government undertook for 1991. First of all, we did not increase the burden on the population during the year. Inflation remained within limits. Compensation was made in spite of the delayed price increases, and there was a greater than planned increase in incomes.

The ability of the institutional system to function was maintained, perhaps with some problems in certain areas, but the institutions could maintain the basic provisions.

Many were concerned about self-governments. There was talk about a complete inability to function, but eventually the situation turned out quite differently. In many places, self-governments were relieved of the need to levy local taxes in such a way that with their prudent management, now, at the end of the year they are in possession of over 50 billion forints in deposits. This would be a reassuring position even for a company.

Esteemed National Assembly, before I begin to talk about the details of the 1992 budget I find it necessary to outline those national economic conditions which provide the framework for the budget, including the experiences of implementing the government program so far.

A distinct change of direction, a structural rearragement of the economic processes began during 1991. The stabilizing character of the process is positive and must be preserved: the improved external balance, the positive balance of payment, increased currency reserves, the reduction of external debts, and, what is very important, the slowing down of inflation.

Competitive market structures in the economy gained ground—import competition, the inflow of working capital, privatization, the setting up or winding up of enterprises, the creation of a normal economic environment.

Demand was the dominant factor in production and development. A market change took place, even if it was forced on us. It took place in foreign trade, and investments with a quick return gained priority. Long-term, frequently unfavorable changes occured in the consumption pattern of the population and in their willingness to save. The latter increased significantly. [as heard]

There are some unfavorable developments. We are not saying a success or a failure, but favorable or unfavorable. Success or failure can be judged in two or three years time.

As a consequence of the collapse of East European trade, total production of the economy declined significantly. Unemployment rose at a dramatic rate, the financial imbalance concentrated on the state economy, first of all on the budget and on national insurance. Incomes derived from work increased relatively slowly among the population .

Altogether, I believe that we are progressing according to the directions of the four-year program. The shortfalls so far can be made good by consistent government work and with the help of parliament.

While in 1991, with the beginning of the debt reduction, we achieved a major change in improving the position of the external balance, next year we have a realistic chance of stopping the rapidly increasing economic decline and significantly reducing the rate of inflation.

Therefore, in 1992 as well, the unchanged economic priorities are: the external financial solvency of the country, not only to maintain it but also to sustain the system by which it is maintained; the reduction of debts; and, of course, the fight against inflation.

The noticeable reduction in the country's debt servicing provisions and the resultant increase in currency reserves will, in the future, not require holding back funds for domestic utilization. This is partly based on the broadening of demand and a favorable export outlook, because we hope that the effects of the recession from Eastern Europe will be weaker and in any case of lesser weight with respect to our economy, and our western exports have been increasing rapidly for years now.

At the same time, continuing the present process we wish to secure the majority of our external resource requirements with working capital which will also result in the expansion of production, the extension of advanced production techniques, and the gain of new export markets. [passage omitted]

The halt in the decline in production and perhaps even some economic growth is not based on artificial stimulation but on the fact that we can now assist and direct the improvement of the supply responses of the economy by methods accepted in market economies. We will continue to strengthen competition. In foreign trade only 5 percent of imports will be license free, but in the interest of defending the purity of internal competition the existing laws must be applied consistently.

In addition to the methods which have been used successfully until now, the orientation toward exports will be supported by the establishment and operation of Exports Guarantees Ltd. and Hungarian Investment and Development Ltd.

The tax system will be more flexible and neutral. The Law on Bankruptcies will serve to strengthen economic discipline and honest markets, to defend effective undertakings, as will the introduction of the new Law on Audit and Financial Institutions.

The property transformations which have begun are the keys to development, as well as to accelerating the privatization process. Here we are still lagging with a number of laws. The forms and instruments of privatization must be extended, we have to establish the spheres of property which will remain under state ownership on a long-term basis, and in this connection, we have to choose the most effective methods of economic management for them, which are compatible with market conditions. Even if halting economic decline is a realistic aim, the differentiation of enterprises will certainly increase. It is expected that the performances of the dynamic small- and medium-size undertakings will become decisive, but among the large companies there will continue to be a need for significant slimming down and a growing need to streamline.

The development of market conditions and the progress of ownership transformation make more effective the use of tools which can be deployed in order to cut back inflation by 10-15 points. In order to reduce inflation there continues to be a need for the regulation of gross demand in alignment with economic performance, a corresponding state revenue budget and monetary policy, creating and maintaining a suitable system of wage negotiations, and a carefully thought out exchange rate and interest policy. The halt in the decline of economic recession does not mean that we have reached the Promised Land. The possibility of a general improvement in living standards and living conditions is not yet opening up, but at least we are stopping the process and, even if with differences, there will be people who will live better and consume more.

Due to the strutural transformation of the economy, next year an increase in the number of unemployed and regional tensions will be unavoidable. In order to ease the problems deriving from unemployment, the government has initiated the modification of the Law on Employment and it continues to give an important role to active employment policy tools. In order to ease regional tensions we are increasing the means provided to improve underdeveloped regions, to support new job creating, and to stimulate agricultural ventures.

Esteemed National Assembly, one of the special areas of economic policy for 1992 is agriculture and food production, that is, the agricultural economy. I wish to speak of this now. International and internal limitations together severely limit the scope of Hungarian agricultural policy. Several fundamental conclusions can be drawn, which affect the whole of agricultural policy. Hungarian agricultural exports have been devalued on the changing international markets. In the transformation period, foreign sales of low- or medium-quality mass products cannot be further increased in quantity because these products require such heavy subsidies that this is tantamount to selling out the country. Protectionism on international agricultural markets is a fact. There is only one possibility left—adaptation. Today, Hungarian agricultural exports do not enjoy significant trade policy favors in any economic integration.

The EC undoubtedly offers prospects. However, today, these are no more than the favors given generally to developing countries. This is exactly what justifies keeping our comparative advantage, namely that we can produce at a lower price. Agricultural production has given traditionally secure income to a significant

number of inhabitants. The complete or partial loss of this production can significantly increase social problems in the countryside. It can be the source of serious political tensions. All these limitations which I have mentioned together create a situation from which the only possibility of breaking out is a fundamental change in attitude and practice, the transformation of the whole of Hungarian food production. The government's aim is to create more effective, adaptable, and market-sensitive agricultural production. The agricultural market regulation serves this. In its framework the monetary system facilitates the possibilities for agricultural products to reach the market and eases the market limiting effects of international agricultural protectionism.

The 1992 Budget Law framework keeps the normative support sum unchanged. In order to vent the inevitably developing temporary tensions arising from the transformation of the agricultural economy and agricultural production we are extending the range and financial sources of the agricultural intervention system. Over 4 billion [unit unspecified] is available for this. Other financial solutions will serve the system and the structural transformation, namely, the reorganization program, in cooperation with the so-called Agricultural Venture Development Loan Guarantee Foundation—the 6 billion forints available for regional development and, in addition, over 3 billion forints for investment and interest support allowances. Altogether, I can say to the Hungarian people engaged in the agricultural sector that 1992 will not be an easy year but it will not be easy for anyone. However, the state is prepared and has created the systems which can ease the transformation and the risks.

Esteemed National Assembly, in 1992 we will move further in achieving economic policy targets. We hope the economic transformation will continue at a fast rate. Among such changing circumstances the question is what kind of budget can be prepared. Definitely not one which is perfect from every point of view, which satisfies every need. We are not, we will not be rich enough for this. We can only prepare a budget which, based on realities, attempts to move the budget from the state into which it was forced during the past years and decades. The example of 1991 also shows the huge contradiction between income and expenditures in the whole state budget. This has several causes. A major cause is the debt burden which we have to service year by year. With the huge state debts the net burden means almost 130 billion forints in 1992. Well, this amount equals the cost of education or public health. It is not by chance that the financial experts, the so-called fiscal dictators, warn everyone against further increasing the budgetary deficit, because as a result of the 100 billion forint deficit of 1991, for example, we will have to pay 25 billion forints in 1992—25 billion of which we will not give any to anyone; we will give it to the bank. Therefore, I would like to ask you to consider the 69.400 billion deficit that has been submitted as a very serious figure because the debt burdens will increase in the future as we increase it.

We also have some other heritages which have to be settled and which burden the budget, such as the 15 billion debt to the social fund left behind from the 1990 barter deal, which we have to settle. The same goes for the so-called restart loan which financed avoiding the already emerging unemployment in the years 1988, 1989, and 1990, and other constructions, the inherited burdens of which increase the burdens of the 1992 budget and of the following years to billions in interest and in failure to repay the capital. This is for the settlement of the banking system's uncertain claims under state guarantee, which is unavoidable if we want to bring the banking system to a European level or at least near it.

Finally, the budget is full of various types of guarantee undertakings, more and more of which are called up partly because this guarantee serves to protect the population and partly because the firms asking for the guarantees have gone bankrupt. I only outlined this short list to show how long the effect of a budgetary decision this year can have in future years, so a budget has to be compiled with great consideration.

Esteemed National Assembly, alongside this, the large deficit in state finances is related to the fact that we are unable, or are able only very slowly, to free ourselves of the attitude which imbues our practical conduct with the notion that everything must be directly supplied by the caring state. This is a deceptive thing, because while we speak about a market economy and its development, we do not want to take cognizance of the fact that there will be a market economy only when and in those places where the state withdraws to a point at which its presence is felt only when absolutely justified.

The weight of the state, redistribution via the state, the system of state finances is still enormous. This amounts to 60 percent of GDP, of produced income. For this reason, one of the genuinely basic issues of the 1992 budget policy is how and to what extent it is possible to reduce the imbalance of state finances in a manner in which we could not bring about unresolvable problems.

The reply can only be—and this is contained in the draft submitted to you—that it is not revenues which must be increased at all cost, but a selective reduction must be achieved in expenditures.

I do not want to speak separately here in detail about revenues, since the tax laws will be discussed. However, I would like to avoid what happened last year—raising revenues without reason and in this way creating resources for expenditures. However, regarding revenues, it is essential that we do more than before to collect the increasingly large tax arrears. As of 31 October, net tax debts of 3,200 tax declarers were 41 billion forints. The bulk of this arises from the General Turnover Tax, from FPA, from AHUR [expansions unknown] and from the so-called VANYA [enterprise profit tax].

All this has happened in circumstances when the tax office was constantly out in the field. It increased financial control and applied prompt collection systems. It must also be known that a considerable proportion of debts, one-third, is made up of the debts of 20 enterprises—namely, 17 billion forints. Among these are Videoton, Dimag Co., and the Csepel car factory. This is also a legacy which we must eliminate somehow.

Of course we cannot expect a miracle. We have proposed an alteration, a tightening of tax administration procedures, an increase in the technical monitoring capacity of the tax and customs offices. However, if the careful citizen emerges who knows what he pays his tax for, then the situation will probably improve. We are still far removed from this.

Esteemed National Assembly, turning to expenditures, we must see that on the expenditure side of the budget there is no single area where spectacular savings to reduce the deficit can be achieved. This requires continuous work.

During recent years we have overcome certain problems regarding support for enterprises and direct subsidies concerning consumption. Today, these only amount to 1.6 percent of GDP. In recent years, perhaps to a greater extent than was justified, the state withdrew from financing investment and stockpiling. This primarily causes problems in the area of infrastructure.

So the much more difficult task remains of reforming the large distribution systems and of transforming and reforming the institutional system.

All these problems must be solved with tight or tightening resources and on such occasions we often hear the response that if there is no money nothing can be done. This is not so. This is only running away from taking the necessary actions, not to mention that these are becoming increasingly more expensive.

The attempts to keep to the allowed level of budgetary deficit makes possible only a most restrained level of increase in the support for budgetary institutions.

There are no ways and opportunities from the state budget to undertake commitments for an unchanged level of support for the unchanged maintenance of the central system of institutions.

The authorities have surveyed our network of institutions and, in several instances, forced by a reduction in support, have tried to achieve changes, the effects of which will already be felt next year or in the years to come.

The decisions based on a reexamination of tasks will not change the institutional system and the way they are financed. The measures introduced do not in general result in a further reduction of support, but will make it possible to stop increasing the support in specified areas and could improve the conditions for the institutions to carry out their remaining tasks.

In the interest of creating a better foundation for development possibilities for a one time reduction in basic allocations took place within the central budgetary chapters. This has been implemented on a differentiated basis between different categories. The savings achieved by this provided partial funding for the necessary extra institutional support.

The planned 10 percent automatic increase in wages and of 5 percent in material costs will obviously be less than the expected increase in prices. Therefore, in order to preserve the real value of supports and to curb the reduction in their value there will be a need to introduce strict economy measures.

At the same time, there are funds available in the budget for centrally implemented wage increases. At the end of the first half year we will recommend the differentiated distribution of these increases. This will make it possible to implement pay increases in certain areas which are more in line with the increase in prices. From the moderate funds available only a rather narrow circle can benefit.

As a result, frequent accusations are made that there are no principles governing the budget. It does not distinguish between various areas. I would like to declare that we look at the state finances as a whole. This is by no means the picture which emerges. The expenditure structure is indeed becoming differentiated, and the direction of the change, I hope, is acceptable to all.

To demonstrate this I wish to speak about certain areas, certain much disputed areas in some detail. Education and training has great importance in the development of society and of the economy. It is the determined intention of the government to improve the situation, which must be brought into line with possibilities in the longer and shorter term as well. We can only lay the foundations for this on a long-term basis in the given economic and budgetary situation, and development can only be relative to other areas or to total budget expenditures. In any case, the rate of increase in education subsidies for 1992 is two-thirds higher than the increase in the state budget. [passage omitted]

The increase in budget expenditures for higher education makes possible the expansion of places by between 3,000 and 4,000 while the increase in subsidy paid to students ensures the maintenance of its real value.

Churches are taking an increasingly great role in education. The state subsidizes such activity in higher education to the tune of over 1 billion forints. Ultimately, budgetary support for higher educational institutions is 24 percent greater—exceeding the rate of the growth of budgetary expenditures, and almost exceeding its possibilities. I did not mention that a series of separate state finance funds, such as the fund to catch up with European higher education, or the fund for professional training, are in operations. Altogether these funds spend over 5 billion forints on these purposes. Knowing the enthusiasm of the members of the teachers' trade unions

and associations—of the teachers' lobby, if you will pardon the expression—who are seated here, I have to say that the reserves intended for differentiated wage development will provide the possibility for the differentiated financial support of education at the end of the first half year.

In connection with culture and sports let me just say briefly that support here will increase very considerably, by nearly 30 percent, and for the self-governments this increase is 25 percent, which also exceeds the average.

The mass communications institutions, television, radio, and the telegraphic agency, will not get automatic wage and material adjustments in 1992. The cover for this is provided by the monthly 50-forint increase in the television subscription fee, and there is a small support increment which can serve operational capabilities and, to a modest degree, the improvement of standards.

The normative contribution of the self-governments in culture will increase by nearly 30 percent, which I think is not a bad figure.

Sports expenditures will increase, on the one hand because of the Olympics, on the other hand because of the appearance of independent decentralized organizations.

In the case of scientific research all we can guarantee in 1992 is that we will provide the support level of 1991. In spite of this, because of income, expenditures will exceed the 1991 figure by over 3 billion forints, and financing will be made easier when the law on the Academy of Sciences, which has just been announced, has been adopted and when relations between scientific research, higher education, and education and their system of financing have finally been clarified.

Esteemed deputies, there are two favorite areas which everybody always attacks. One is administration and the other is defense and security. The expenditures of the administrative branch will indeed increase in a spectacular fashion by about 40 percent. Support will increase by 28 percent. The number of those working in this area will increase by 11 percent. And the growth originates also from the fact that there is little self-generated income. Eighty percent, over 80 percent of expenditures is covered by support. This increase is connected, on the one hand with the automatic 10 percent wage and 5 percent material adjustment; and on the other hand, with the reorganization of tasks, or rather with the extra tasks. Such extra tasks are setting up the Compensation Office operation. This represents an extra 1 billion forints, with an increased workforce of 515. This is also the increment in the expenditures of the Tax and Finances Office, of which 1 billion forints are for the modernization of the tax adminstration system, its computerized processing.

The 1992 expenditures for the administration of the ministries and organs of national jurisdiction will exceed the 1991 provision by 2.6 billion forints. Therefore, the increase is 23 percent, while the work force will drop by 426. The increase is explained by, for example, the increase in the international membership fees of the Ministry of International Economic Relations, the expansion of tasks connected with association with the EC, as well as by the fact that the number of trips and the cost of air fares are also necessarily increasing.

At the Labor Ministry, administrative expenditures have increased by 380 million forints on account of professional training.

The administrative expenditures of the sections, apart from automatic adjustments, will increase only in the event of an increase in tasks. Therefore, the draft does not contain any extra support for improving standards.

The state budget is devoting nearly 12 percent of its total expenditures—112 billion forints—on the state's external and domestic defense, on safeguarding its economic and public security order, and on deterring national security threats.

First and foremost, I would like to affirm the intended change in value judgement whereby both state direction and the armed perform their tasks not against society but in its service and in the protection of its interests. The democratization of the administrative organizations that perform this classic state task, adjusting them to the demands of social advance, is not a negligible element of progress.

At the same time, public opinion sees simultaneously contradictory demands vis-a-vis the armed corps. I would mention just a few examples. One is the demand to reduce military expenditures alongside the demand for a sovereign army possessing the necessary and sufficient force for defense. This will naturally require an immesurably large amount of resources. We do not have the money for this today.

The other thing is that the accelerated fluctuation in the professional staff has to be stopped and the formation of a well-trained, stable, officer corps, the restoration of the shaky respect of the uniform, have to be embarked upon.

In a few sentences, I would like to throw light on how these state tasks are connected in the 1992 budget. The Interior Ministry has been able to organize taking on 3,000 people for 1992 in the interest of increasing public security, strengthening the various professional services, and transport police. Ten thousand will be needed. Money was available only for this number.

The modernization of fire and crisis protection forces, of border protection forces has been accelerated. We continue to shape the conditions to come in line with requirements of the Council of Europe in the penal enforcement institutions.

The international situation, unfortunately, is not calm and is unbalanced. This further increases the daily tasks of the Interior Ministry, the Defense Ministry—national security, customs, and excise—since we must know that

they are in the front line. Thus, this sphere is affected most by issues of migration, that is the refugee problem, and in the front line they enjoy the technical equipment which we have at our disposal.

Esteemed National Assembly, I have to speak separately about health, about health insitutions. As we know, since 1990 the Social Security Fund has been financing the bulk of institutions providing health care. This has had a beneficial effect on health institutions. The increase in expenditures has considerably exceeded all other groups of institutions. At the same time, funds for development and investment were available not only from the Social Security Fund but also from the state budget and self-government resources.

Esteemed National Assembly, a lot of accusations are levelled at the budget policy, first and foremost because it is not sufficiently selective. It does not employ differentiated solutions, it does not take the real processes into consideration, it is insensitive to social issues. I would like to say that this is not the case. You may not believe this, but it is a fact that the government is making extraordinary efforts in the interest of financing the welfare sphere which fundamentally determines the population's security. If I say merely that total expenditures of state housekeeping for 1992 are 1.891 trillion forints, 15 percent more than in 1991, and we are spending 642 billion forints on welfare policy, and this is 22 percent—122 billion forints—more than in 1991, then I think this fact says a great deal, although I am aware that the number of those who live around the minimum subsistence level is increasing more and more.

It must be seen clearly that the income policy of the past decades has not been successful. Almost 50 percent of the population's net incomes are made up of income in money and kind. [as heard] This is the caring state, and this proportion has increased further in the past one to two years. In the meantime, the number of those living around the minimum subsistence level is continuing to rise. So, the care is not going to the right place. It has often been said in this house that the amounts spent on welfare policy are not being utilized well—and here I am not talking about pensions. We have to take cognizance of the fact that this country is not capable even in the long term of providing the Swedish or the Swiss type of welfare machine. For this reason we have to transform the welfare distribution systems.

At the same time neither can we renounce our efforts to at least halt the growth in the proportion of strata living around the minimum subsistence level. We have to pursue consistently an income policy in which families' livelihoods are based first and foremost on incomes from work. And in welfare policy we have to place the principle of need more gradually at the forefront. Welfare assistance has a place where the families' income and asset base demands it.

The present system of state care has not proved to be successful. Everyone is dissatisfied with it and in the meantime it has become more and more unfinanceable.

The 1992 state budget and social security budget also unequivocally show that if the Social Security Fund does not change its philosophy it will not be able to fulfill its commitments. I consider it unavoidable that from 1992 we must take a serious step forward in the reform of social security, because the fact that it falls back on the budget only leads to the need to pump more and more money into it with total irresponsibility.

Another thing we must do in welfare policy is to support the nonstate, the unofficial welfare systems. A good example of this are the mushrooming foundations, charity institutions which perform these tasks outstandingly.

If we examine the entirety of welfare policy, next year's provisions will expand, if not spectacularly, at least to a significant degree. They will exceed the rate of growth in spending. They will attain the growth of incomes created in the economy.

In the case of family allowances for children, if we also count the tax allowance, the increase in the higher education grant allocation, what we see is that in these areas welfare policy will generally reflect real value. This does not mean that we have created welfare security. What this means is that in a series of provisions we can maintain the real value, and according to our intentions and our hopes, in 1992 we will in general be able to maintain the value of real wages and we will be able to maintain the value of pensions. And this is a very significant achievement compared to the disastrous breakdown of the previous years. It creates the possibility for advance and for reform.

We are entirely aware of the fact that increasing unemployment is causing people major and fairly worrying problems in society. For this reason the budget continues to guarantee 13.5 billion forints to the employment fund. The budget is contributing nearly 10 billion forints to the solidarity fund. On top of this we have reviewed budget resources from land development to environmental protection fund, investment, and regional development resources. Nearly 75 billion forints serve job creation directly or indirectly, in a fairly uncoordinated manner. For this reason, it has to be coupled with an appropriate regional policy.

Esteemed fellow deputies, I have to speak separately about self-governments—the budget connections of self-governments. We have a self-government law and a more or less functioning system which, of course, has many faults, but these will have to be evaluated on the basis of the 1991 experiences.

In 1991, we managed to create a system of conditions of economic management in the self-government sphere. This has resulted in the law on spheres of tasks and competence, the law on the transfer of state property to

the self-government sphere, and the system of establishing appropriate supports.

In the regulation of economic management, our intention was that ability to function should be maintainable. This was assured by the proportion that had evolved between the individual resource elements, the appropriate harmony between own resources, and central supplementary supports.

In 1991, total resources increased by 30 percent as compared with the previous year's provision—faster and more vigorously than budget resources. This system of regulators, according to experience, has improved the opportunities for villages and larger settlements, which is also shown by the fact that while in 1989 the settlements sphere consumed 17 percent of all receipts, this proportion rose to 22 percent in 1991, and it will further increase in 1992 as well.

The self-governments pursued careful and thought-out economic management in 1991. In a certain sphere a natural dissatisfaction could be experienced, particularly in places where they wish or want to eliminate rapidly the accumulated infrastructural tensions. Well, there are not sufficient resources for this.

The local self-governments in 1992 will have 447 billion forints to manage with. This amount exceeds the 1991 amount by 21 percent. Therefore, their income, in its entirety, will increase in proportion to the income produced in the economy, faster than the budgetary income.

In 1992 we do not want to change the regulation system significantly, for the experiences of 1991 have to be studied too. In the case of self-governments, support for self-governments in a difficult situation continues to be available. It can only be used for supply problems and serious disasters. Finally, I would like to say that the 69.4 billion forint deficit evolved in a way that for income we included privatization income worth 20 billion forints. [passage omitted]

As you can see, the budget still has an extra 6 billion forint guarantee and general reserves of 10 billion forints, which means a very small liquidation and opening in relation to budget expenditures. Finally, I would like to announce, or call your attention to, some amendments not included in the budget but included in the budget bill. The AFA [value-added tax] has only technical modifications, the most important of which supports farmers. [passage omitted]

Finally, proposal No. 3809 to the original proposal on consumer's tax and consumer's price supplement, which required a two-thirds majority, was rejected. We proposed the extension of the consumer's tax and consumer's price supplement.

Finally, but still not the very end, from many aspects the criticism is correct that the government put parliament in an impossible situation again. The budget law has to be passed very quickly, not to mention the tax bills. I would like to say that this situation was created jointly by parliament and the government. [passage omitted]

Finally, I would like to brief the esteemed National Assembly that I spent last Saturday and Sunday with the Interest Coordinating Council and we reached a number of agreements. These agreements are partly related to the budget for 1992, such as raising the tax concession per child from 1,000 to 1,300 forints, the revision of family supplements every half year and raising its annual increase from 15 to 20 percent, the internal regrouping of certain social-political expenses, etc. The government will discuss these proposals on Thursday and then we will inform the parliamentary factions and deputies about what modifications the government would like to propose based on the adopted agreements.

I would like to point out that taking into account the balance of relations of the national economy and the current situation, in 1992 the people's position will not worsen on the whole. It will not improve but it will not worsen either. Additional claims were along the lines of give an inch and they will take a mile. This would mean either increasing the budget deficit or the burden on other income generators, i.e., enterprises. Well, I do not find acceptable either this or further threats with a warning strike in a difficult situation after one sits down to talk. In spite of this, I would like to ask you to support, or at least not to oppose, these proposals when you receive them, for we have agreed in on them and we would like to keep that agreement.

Finally, 1992 will not be an easy year. It will be a year that might raise hopes that the economy will really start to increase, real market economy systems and ways of thinking will operate, and the social content of this economy will also be stronger if we carry out—and we have to carry out—reform of the distribution systems. This means that after a long period of time, decline in the whole performance of the economy, in the real value loss of pensions, real wages, etc, will be stopped. And this, in the given circumstances, is not a bad achievement. I think that, alongside our relatively firm international relations, there are quite a few threats that can influence the budget. I am not talking about policy. Our internal waters are very distubed also. However, the voters obviously sent us to this assembly to guarantee the operation of the economy after great debate of course and, I hope, its adoption. Thank you for your attention.

Kadar Views International Economic Reorientation

AU1112183391 Vienna DIE PRESSE in German Special Supplement 11 Dec 91 p 1

[Gerd Biro report on interview with International Economics Relations Minister Bela Kadar; place and date not given: "The Orientation to the West Has Been Completed"]

[Text] A remarkable geographical reorientation has been completed in Hungary's international economic relations recently. The result is that 71 percent of Hungary's exports go to OECD member states, and exports in convertible currency have developed dynamically since 1989. That means that a significant increase in Hungary's exports can be predicted for 1992, as Bela Kadar, minister of international economic relations, says in a DIE PRESSE interview.

Kadar stresses that the collapse of CEMA has led to the necessity, and created the possibility, for Hungary to adjust to the conditions of the world market by radically restructuring production and marketing methods to meet the requirements of the new foreign trade partners. Hungary has succeeded in 1991 in separating its export capacity from import requirements, so to speak, and achieving the goal of the proceeds from exports and tourism not only covering the costs of imports but also the interest service.

Estimated in ECUs [European currency units], Hungary's foreign debt will even decrease about 5 percent in 1991. At the same time, the foreign exchange reserves have tripled. There is now hardly a difference between the official and the free exchange rate of the forint.

In this respect, the fact that foreign direct investments in 1991 will exceed the sum of $1 billion by far plays a decisive role. It must be considered in this context that the expansion of exports in 1991 has been achieved by a 90 percent liberalization of imports.

In addition, it should be considered that the export successes have been achieved by an exchange rate policy that was virtually tantamount to a revaluation of the forint on the domestic market. Producer prices increased 23 percent in 1990, and 37 percent in 1991, whereas the forint was devalued just once, early in 1991, by 15 percent. The 5.8 devaluation in November 1991 will not have a major influence on the tendencies this year.

Thus, international economic relations were hardly taken into account regarding the exchange rate policy, and that at a time when there were only very limited resources of export promotion.

Because neither the single European market nor the former CEMA member states can play a significant role for Hungary in expanding its market during the next two or three years, the only possibility left for the country is to expand its exports to the European Economic area, North America, and the Pacific region. The framework conditions in this respect can be essentially improved by privatization. However, this should not be considered an autonomous growth factor because there are also poorly functioning private economies.

Because a totally spontaneous restructuring would lead to considerable losses, a strategy is required for the transition to the market economy.

It includes the continuous development of the infrastructure, which is required for modernization measures and for promoting foreign direct investments, including the reorientation of Hungary's transport system and energy lines to the West and retraining some of its manpower.

Direct foreign investments, which play a major role in Hungary's modernization program, accounted for an average 3 percent share in Hungary's gross national product in 1990 and 1991. An increase by about 50 percent would roughly correspond to the interest service and could stop the outflow of capital.

International experience has shown that successful countries are able, in a period of accelerated modernization, to absorb direct foreign investments that account for about 5 or 6 percent of their gross national product. In the case of Hungary, it would amount to twice the present direct foreign investments and would, at the same time, mean a net surplus of resources and about one-fourth of the total investments made in Hungary.

To achieve this goal, Hungary must continuously promote the advantage of its location.

Agricultural Official Views Agrarian Program

AU1112114091 Budapest MAGYAR HIRLAP in Hungarian 9 Dec 91 p 9

[Interview with Laszlo Sarossy, political state secretary at the Ministry of Agriculture, by Sara Pogany; place and date not given: "I Am a Ministry Manager, not a Commissar"]

[Excerpts] Hungarian agriculture can count on a reorganization fund of 2 billion forints from next year's budget, and the Ministry of Agriculture intends to supplement this amount with foreign capital. This way, the new landowners and the new ventures will be able to receive substantial credits and an adequate banking background will also be available for the coming year—Laszlo Sarossy said among other things. Sarossy also denied that the Hungarian Democratic Forum [MDF] had given up its traditional village protection policy stipulated in its original election program.

[Pogany] Mr. Sarossy! In your opinion, to what extent has the MDF succeeded in implementing its agrarian program, promised in the course of its election campaign?

[Sarossy] The MDF agrarian program was born in Kiskunmajsa on 12 November 1988, and we formulated there the reorganization of Hungarian agriculture in eight points, and this program was included in the government program. The main goal of this program was to radically change property relations and the ownership structure. The compensation law, which is already valid, and the new law on cooperatives—including the reorganization law—all serve this goal. All this is supplemented by the privatization program of state farms and food industry enterprises, and the implementation of this

program will open up new prospects for Hungarian agriculture. At the same time, I would like to point out that the reorganization of property relations should be understood as a means to achieve an international standard in agriculture by the time we attain full EC membership. [passage omitted]

[Pogany] One can see from the various committee meetings that there is no consensus between the MDF agricultural experts and those of the Smallholders' Party. Theoretically, the fate of the law on agricultural cooperatives could be similar to that of the compensation law, and this would further increase the uncertainty prevailing in our agriculture sector. Moreover, some Smallholders continue to accuse the MDF of disregarding the coalition agreements.

[Sarossy] As I participated in all the coalition talks and in the subsequent multiparty coordination, I can state with authority that we did not discuss the issue of comprehensive reprivatization. Partial reprivatization has always been the MDF position. [passage omitted]

[Pogany] Is there any chance of the National Assembly's adopting the law on agricultural markets as early as this year?

[Sarossy] That would be desirable, but I do not see any possibility of this because of the ongoing budget debate. Besides, the legislation on agricultural markets in March 1992 for example would not disturb agricultural production.

[Pogany] You said that a law has emerged that does not threaten the agricultural sector's ability to function. At the same time, this sector has gone through a lot of crises this year too, like the drought, the pork and wine crisis, and the recent egg war. Producers have not only become uncertain but have already used up their reserves too, or they are now using up their reserves.

[Sarossy] The implementation of a new agricultural structure will take at least ten years. This will be a long process that should neither be hastened nor forced by useless means. I visited Romania recently, where the settling of ownership relations took place in the form of reprivatization. One can see the results.... Our Estonian and Lithuanian colleagues told us that the Finnish, Danish, and Swedish agricultural experts had warned them of the dangers of a hasty reorganization of the agricultural sector. The small producer, cooperative, and large-scale agricultural enterprise forms will probably also coexist in Hungary for a long time to come. Agriculture is a sector that is in a difficult situation today, and it is struggling mostly with marketing problems, rather than with overproduction problems. On the basis of the Baltic experiences, I see realistic possibilities of our regaining our markets there. We will have to concentrate on the member republics next year. An EC membership would also bring advantages, rather than disadvantages, for our agricultural sector. However, it is impossible to separate the agricultural crisis from our overall economic crisis. At the same time, the agricultural sector has again succeeded in obtaining an export income of $2.5 million this year, and this cannot be said of the other sectors of our economy. [passage omitted]

Makarczyk Hails 'Splendid Treaty' With Russia

LD1112232391 Warsaw Radio Warszawa Network in Polish 1105 GMT 11 Dec 91

[Interview with Deputy Foreign Minister Jerzy Makarczyk by unidentified correspondent at Warsaw airport upon his return from Moscow; date not given—recorded]

[Excerpt] [Makarczyk] Yesterday we signed, well, to be more precise, we initialled two treaties. I am making this distinction because initialling means the acceptance of the text without being bound by it. On the other hand, we signed a statement by the two governments; please note that wherever in that treaty—I mean the bilateral treaty on good-neighborliness and friendly relations—the USSR is mentioned, one should understand the union or commonwealth that has been formed or will be formed in place of the USSR.

The signing of the treaty will take place after such union or commonwealth is established in keeping with a decision by the interested parties. Following the decisions made in Minsk, it seems that there will be such a commonwealth. What kind of commonwealth it will be, only time will tell. Poland has a splendid treaty with this commonwealth, and it will be signed and will come into force as soon as Poland finds that the time is right.

As far as the transit treaty is concerned, both we and the Soviet Union were interested in signing it. Transit is already taking place, but we wanted it to take place on legal grounds. This treaty will be signed very soon; it was initialled for technical reasons, but it will be signed very soon.

Transit will take place only by rail and air. We have totally eliminated the road [transit] because of the danger of accidents, because of the environment, as well as possible desertions. It will be charged in line with tariffs agreed between the railways of both countries, on the basis of international tariffs, with a certain rebate due to the large amount; this is often applied [words indistinct]

[Correspondent] Has anything changed on the issue of the withdrawal of the Soviet forces?

[Makarczyk] No, nothing has changed. The deadline is 16 November next year, just as we had agreed. It turns out that all the troops from Poland and from Germany will be withdrawn to Russian territory; hence, one has to talk about it with Russia rather than with the Union. On the other hand, these are details, but as far as the financial side of it is concerned, there will be, as I have said, another round on 7 January, and we will negotiate it then. I hope this will be the last round, as the whole thing has been dragging on. [passage omitted]

Defense Ministry Updates Soviet Troop Withdrawal

LD1212035691 Warsaw PAP in English 1440 GMT 11 Dec 91

[Text] Warsaw, Dec. 11—A total of 49 transports of Soviet troops withdrawn from Germany passed through the Polish territory between early April and December 10, 1991, Colonel Piotr Siliniewicz, the national Defence Ministry spokesman for Soviet troops withdrawal and transit told newsmen Wednesday.

In addition to that, 1,358 transports carrying supplies for the Soviet troops crossed Poland in transit, and 270 Soviet fighter planes flew over the Polish territory.

Coalition Activity on Government Formation Viewed

'Will Definitely Support' Olszewski

LD1212003891 Warsaw TVP Television Network in Polish 2145 GMT 11 Dec 91

[Text] The Five [center-right coalition parties] will definitely support the government of Jan Olszewski in voting, said Jaroslaw Kaczynski, prior to a meeting of representatives of four parties with Prime Minister Jan Olszewski. The Five, which will include the Liberal Democratic Congress [KLD], added the leader of the Center Alliance [PC]. Representatives of the KLD did not take part in the meeting.

[Begin recording] [Unidentifed correspondent] While still at the press conference, you said that if the four parties did not change their stance, the Liberals would not be in The Five. Have they changed their stance?

[Unidentified speaker] They have not altered their stance, except that, as I mentioned, there are two separate issues: parliamentary cooperation—and I doubt that we will succeed in upholding The Five formula here—and cooperation, assisting Jan Olszewski in his mission. We wil decide about this at a meeting with Olszewski.

[Correspondent] What does assisting mean?

[Speaker] The range is quite extensive.

[Correspondent] Does participation in the government fit into this?

[Speaker] From participation in the government, because these answers concerning the government have to come from the prime minister, to not hindering the government, which means up to this minimal degree of acceptance. I think that today, the art of not hindering may be the most valuable in the Polish Parliament. [end recording]

KLD Questions Cooperation Formulas

LD1212092991 Warsaw Radio Warszawa Network in Polish 2200 GMT 11 Dec 91

[Text] A meeting between the leaders of The Five [center-right coalition parties] took place at the Sejm building this evening. It was devoted to the decision of the Liberal Democratic Congress [KLD] that questioned the economic concepts of the remaining members of the coalition. The leader of the KLD, Donald Tusk, said after the meeting that the four coalition partners had not changed their stance. No matters had been resolved. Talks will continue about new formulas for cooperation and about whether the coalition of five is still capable of being maintained as a parliamentary coalition.

Donald Tusk does not think that it will be possible to maintain the formula of The Five on parliamentary cooperation. There remains cooperation in support of the mission of Prime Minister Olszewski. The decision on this matter, Tusk reported, will be made tomorrow at the meeting of the Liberal Democratic parliamentary Club with the prime minister.

The leader of the Center Alliance, Jaroslaw Kaczynski, refused to comment on the meeting. He said there still exists a 100 percent chance of a government being appointed.

Allocation of Ministries Discussed

AU1112182991 Warsaw RZECZPOSPOLITA in Polish 10 Dec 91 p 1

['D.P.'-signed report: "Ministerial Speculation"]

[Text] As one of the participants in the "group of five" consultations told us, the Olszewski government is to have one ministry dealing with the economy, but it would not encompass the current Finance Ministry and the Ministry of Ownership Transformation. It is certain that these two ministries will be left out if the liberals, led by Jan Krzysztof Bielecki, decide to run the economy. The reason would be to prevent the liberals from dominating the economy.

The problem with this solution is that Bielecki might decline such an offer as being too modest.

It is almost certain that there will be no Ministry of Culture.

The five-person government presidium is to have two deputy prime ministers. Responsibility for the economy would rest with Bielecki or Adam Glapinski, whose Construction Ministry is to be scrapped. There is no one willing to assume responsibility for the social affairs field. The prime minister will be directly responsible for political matters.

Reports that Lech Kaczynski will head the justice ministry are being confirmed, although it cannot be ruled out that he might get "something more." If Christian-National Union representatives decide not to assume responsibility for social affairs, then Antoni Macierewicz will most probably head the Ministry of Internal Affairs.

The Finance and Education Ministries are to be reserved for the Democratic Union. It is known, however, that that would not please the Democratic Union. The "group of five" is opposed to giving the Ministry of Foreign Affairs to Bronislaw Geremek.

Kaczynski Elected Sejm Committee Chairman

LD1212035991 Warsaw PAP in English 1440 GMT 11 Dec 91

[Text] Warsaw, Dec. 11—Lech Kaczynski of the Centre Alliance parliamentary club was elected Wednesday chairman of the Sejm Administrative and Internal Affairs Committee. Kaczynski won 15 votes while his rival, Deputy Jan Maria Rokita of the Democratic Union parliamentary club, received only 2 votes. There were 4 abstentions.

On Wednesday the deputies also elected chairman of the Sejm Agriculture and Food Economy Committee. He is Antoni Furtak, vice-chairman of the Private Farmers Solidarity.

Interior Ministry Facing 1992 'Financial Collapse'

LD1212034691 Warsaw PAP in English 1252 GMT 11 Dec 91

[Text] Warsaw, Dec. 11—The Interior Ministry may face a financial collapse in 1992, according to Deputy Interior Minister Jan Widacki.

"We cannot afford to build a network of watch-towers on the eastern border, which has practically not been guarded by us until now. It should now be patrolled, including air patrols. We need to build a network of airfields, bases etc. These are fantastic costs which we are not in a state to bear," Widacki told PAP on Wednesday.

"The police need new types of cars: patrol cars, range rovers, mini-buses," continued Widacki and added that "We have telecommunications equipment from the sixties at our disposal, it is already used up and obsolete. In the eighties we were able to computerise the files of priests but did not manage to computerise criminal records," the minister remarked.

Widacki estimated that Polands police were over a decade behind Western police forces, maybe over two. "If we want to create a modern police force, a border guard, a modern state protection office, then we have to invest in those services many times more than we can afford."

Speaking of the greatest challenges which the Polish police face in the coming year, Widacki said that organised crime would certainly increase as would Polish-Soviet crime. "Apart from that there will be the problem of police corruption, which has already started," he said.

Widacki thought that the most important laws prepared by the ministry this year were those concerning the defence of state and company secrets, and foreigners. "Today foreigners who break the law can be quartered in barracks in one centre and if there are enough of them, packed off in an aeroplane and deported," concluded Widacki.

FSN Senators Call For Extraordinary Convention

AU1112211091 Bucharest Radio Romania Network in Romanian 2000 GMT 11 Dec 91

[Text] In a statement to our radio station, National Salvation Front [FSN] Senator Vasile Vacaru [FSN leader in the Senate] said that after discussions with the members of the FSN Parliamentary Group in the Senate, 56 of the 70 FSN senators present drafted an open letter to the Executive Bureau of the FSN's Steering Bureau which says the following, quote:

A brief examination of the period since 20 May 1990 [date of last FSN national elections] reveals some worrying aspects: 1) Recent attempts to shift, sometimes successfully, the FSN political line from center-left toward the center and even right; 2) The consistent (?failure) to observe statutes that, beyond some arguable provisions, were however adopted, as they were, by the second FSN convention and should have continued in effect until a new convention was held; 3) The open and even brutal exercise of a dictatorial attitude at the FSN Executive Bureau, upon the principle of everyone being compelled to obey any decision made there; 4) The lack of openness regarding actions taken at the top and the creation of new structures not stipulated in the statutes, such as the three-member Operational Group interposed between national leader Petre Roman and the vice presidents elected by the convention, which creates the impression that a selected group is trying to take over the party and use it for its own purposes; 5) The steady campaign of slander against Ion Iliescu and the assertion that the FSN is withdrawing its support for him.

These elements alone are enough to justify our request for the urgent organization of an extraordinary FSN convention, which should be preceded by extraordinary conventions in the counties so that the delegations acquire the necessary mandate to express themselves on the following problems:

1) The return to the basic ideas of the statutes adopted by the first national convention and renouncing certain provisions of the current statutes, including the institution of the national leader automatically being prime minister, through the adoption of appropriate measures;

2) The return to the basic ideas of the April 1990 platform and maintaining the valuable ideas included in the March 1991 platform;

3) Examining the extent to which the FSN governments observed the options of the electorate;

4) The draft platform-program for 1992 general elections;

5) The democratic election, by secret ballot, of the FSN leadership;

6) Endorsement for a new presidential candidacy of Ion Iliescu.

This is the the letter addressed by 56 senators to the Executive Bureau of the FSN Steering Bureau. There follow 56 signatories by vice presidents of the Senate, secretaries of the Senate, [word indistinct] of the Senate, and senators.

Dimbovita County FSN Leaders Suspended

AU1112190291 Bucharest ROMPRES in English 1732 GMT 11 Dec 91

[Text] Bucharest ROMPRES, 11/12/1991—The Executive Bureau of the Steering Board of the National Salvation Front [FSN] decided on December 9, 1991, the suspension for 20 days of five members of the leadership of the FSN Dimbovita County Organization.

The suspension was decided after an analysis made in Tirgoviste—Dimbovita County seat—on December 4, 1991, by the Executive Bureau of the FSN Steering Board, of the activity deployed by the county leadership.

A few days before the analysis, an appeal of the Dimbovita FSN Council demanded that the National Salvation Front "should redeem to its rights the program-platform with which the FSN participated in the May 20 elections, a platform endorsed by the overwhelming majority of Romania's population," and the dismissal of the Front's current leadership. The appeal also proposed the calling of an extraordinary national convention of the FSN by the end of December. Subsequently, a release of the Dimbovita FSN showed that the respective appeal only represented "the stand of an unimportant number of persons who got estranged from the program platform of the FSN passed by the national convention of this political formation of March 1991."

As shown in the December 9 decision of the Executive Bureau of the Steering Board of the National Salvation Front given to the ROMPRES for release, an acting leadership of the FSN organization was formed in Dimbovita County. At the same time, a FSN county convention was convened for December 28, that will also elect the new Steering Council of the Dimbovita FSN Organization.

In a recent interview with the ASSOCIATED PRESS, President Ion Iliescu said that internal strife in the FSN "might result also in [words indistinct] the evolution, of the stand of the FSN national leader, ex-Premier Petre Roman, who has lately "evinced an estrangement from the political platform the front started with." In the last two months, the president said, Mr. Roman "switched from one extreme to the other," defining the Front as a modern socio- democratic formation, aligned to the tendencies of Western socio-democracy, then opting for a "social liberalism" a notion which is not clearly defined as political conception. "It is to be seen," the president said, "whether the Front—namely which of its sections—will follow Mr. Roman or whether there will be a divorce between Mr. Roman and that formation."

UDMR Leader on 'Useful' Iliescu Meeting

AU1112210891 Bucharest ROMPRES in English 1849 GMT 11 Dec 91

[Text] Bucharest ROMPRES, 11/12/1991—"We cannot accept and we are sorry for the Hungarian population of Romania having been referred to as 'unfair' and 'disloyal' by President Ion Iliescu, when the question came of the unity of our vote in the referendum (on the Constitution)," the chairman of the Hungarian Democratic Union of Romania [UDMR] said after a Wednesday, December 11 interview with the president of Romania.

Mr. Geza Domokos added that the two-hour discussion held at Cotroceni Palace was "useful and necessary, open and far-reaching." He said he was against the term "disloyal" used by President Iliescu, since that opinion could only be true if the Constitution that was voted were not been observed. "But we will observe it and will ask that it be observed, hoping that the provisions we do not agree with will be modified in future. As an example of such a provision, he gave the stipulation that Romania is "a national state." Mr. Geza Domokos maintained that one's mother tongue has to be used in the public local administration and in court.

Other aspects were tackled during the talks with President Ion Iliescu, such as tuition in Hungarian and Hungarian TV and radio broadcast, and issues concerning the press. [sentence as received] The chairman of the Hungarian Democratic Union of Romania opined that "President Iliescu could have a good influence on decisions (to be taken) in this respect."

Major Papers Declare 'Warning Strike' Over Costs

AU1112210491 Bucharest ROMPRES in English 1854 GMT 11 Dec 91

[Text] Bucharest ROMPRES, 11/12/1991—The dailies "ADEVARUL," "ROMANIA LIBERA," and "TINERETUL LIBER," among the most important ones in Romania, announced in a communique sent to the national press agency "ROMPRES" that "They are compelled to resort to an extreme measure, a warning strike," as Prime Minister Theodor Stolojan paid no attention to "the critical situation of the independent press, of the written press in general, caused by an exaggerated increase of the newsprint price and of other printing and distribution costs." "We are launching a warning that Romania is going to become the only country with no written press, which will turn it into an information desert," says the communique.

"Although the government has recognised, in principle, that the press is vital for democracy and that it is necessary to take into account the facilities the press benefit from in the world, we can notice that, in fact, the proposals we forwarded have been totally ignored," specifies the communique.

The three newspapers consider that the refusal to solve the serious problems the press is faced with are a "deliberate step to choke the Romanian press in general and the independent one in particular."

The Association of Romania's Journalists is sympathetic with the strike of the dailies "ADEVARUL," "ROMANIA LIBERA" and "TINERETUL LIBER" and "asks all reporters in the independent press to stop issuing dailies and periodicals starting Friday, December 13."

International

Government To Freeze Accords With Germany

LD1112205991 Belgrade TANJUG in English 1516 GMT 11 Dec 91

[Text] Belgrade, December 11 (TANJUG)—The Yugoslav Government intends to freeze transport agreements with Germany on December 16 in answer to Germany's decision to block traffic with Yugoslavia, said acting Yugoslav Federal Secretary for Transport and Communications Stevan Santo at a press conference today.

The German Government's unilateral decision on suspending traffic went into effect on December 9.

Santo assessed the German Government's decision as a "political act" and recalled that it was "contrary to all international regulations."

"The Yugoslav Government did not automatically apply counter measures, but allowed Germany seven days to revise its decision," said Santo.

"Until December 16, all German transport companies will be able to enter Yugoslavia without problems, or pass in transit through Yugoslav territory," said Santo. He added that "with the exception of Lufthansa, all German companies were doing so."

Santo explained that the German Government had not annulled the existing transport agreements, but only frozen them, "leaving certain hope that the decision can be withdrawn soon."

Interpreting Germany's decision Santo underscored that from a legal point of view, "it covers Yugoslavia as a whole, not just individual republics," because "the German Government had not signed individual transport agreements with any of the Yugoslav republics.'

"According to an additional verbal explanation, Germany's decision is aimed exclusively at Serbia and Montenegro," underscored Santo.

The Yugoslav Government sent letters to the meeting of representatives of European air carriers in Paris, demanding a debate on Germany's unilateral decision, and to the "Danube Commission" in Budapest, as well as a note of protest to all international European transport associations of which Yugoslavia and Germany are members.

Last night's incident, when a TV Belgrade reporter was prevented from sending in her TV report from Maastricht via PTT links to Belgrade, has been explained by the German PTT as due to " a technical error," said Santo.

President of the Serbian Association of Journalists Slobodan Lazarevic sent a sharp letter of protest over last night's incident to the German Embassy in Belgrade today.

"We do not have any indications that the German Government intends to cut PTT links with Yugoslavia," said Santo and specified that Germany's suspension currently covers river vessels, planes lorries and buses.

Slovene-Hungarian Agricultural Cooperation Planned

92BA0215B Ljubljana NEODVISNI DNEVNIK in Slovene 25 Nov 91 p 4

[Article by Otmar Klipsteter: "Indirect Recognition Through Agriculture"]

[Text] Radenci, 25 Nov—A sort of indirect recognition of Slovenia through the back door (agriculture) was brought by Saturday's [23 November] official agreement here between the Hungarian and Slovene agricultural ministers on several important matters.

"Belgrade has officially sent an announcement to Hungary that the federal authorities can no longer control all of Yugoslavia's borders," Hungarian Agriculture Minister Elemer Gergatz explained the decision on direct negotiations with Slovenia, "and after that letter we were left with a choice—either to cancel trade across the Hungarian-Slovene border, or to arrange something else. Because our interests are also involved—namely, we ship horses to Italy and other things across that border—we naturally decided to negotiate with Slovenia."

The purpose of the meeting was to determine which agreements both states would have to prepare quickly for uninterrupted cooperation, and for which crops and products there is a possibility for mutual cooperation. Both delegations agreed that they would prepare a joint presentation of products and crops by 21 December in Gornja Radgona.

"A special group of people from both countries' ministries will prepare a proposed agreement, which will determine the rules in the area of plant sanitation and veterinary standards that will apply at the common border," stated Dr. Joze Osterc, the Slovene minister of agriculture.

The ministers also mentioned several specific forms of cooperation: In Hungary, they are preparing regulations that will permit foreigners (and thus Slovene farmers) to lease land on the other side of the border; this would be of particular interest in the area of the Zala district. The cooperation would also include assistance from Slovene experts in the area of viticulture and wine production, and it would be very useful, the Hungarian minister thought, if Slovenes could also help their neighbors in the development of fruit growing. They are also interested in selling wheat and barley to the Slovene side, as well as in exporting sugar beets to the Ormoz sugar factory, which would pay for those beets with sugar (or with sugar purchases). Furthermore, they could supply Slovenia with 5,000 tons of vegetables, paprika, etc., since the transportation costs would be lower than if they exported them to the north.

Payment for these Hungarian goods could also be in the form of agricultural machines, which are manufactured by Slovenia (good ones, in Dr. Gergatz's opinion), and also household appliances, etc. In Dr. Osterc's opinion, Hungary also offers an opportunity to compensate for the loss of those raw materials which are no longer available from the south: "We will try to seek opportunities to increase the level of cooperation, as well as joint deliveries and joint action in other markets. We anticipate that this year's volume of Hungarian-Slovene commodity trade will be worth about $30 million; today's agreement, in my opinion, has created a basis for being able to increase that value by five to 10 times!"

In response to DNEVNIK's question about whether there was any discussion of interventionary imports of food to prevent prices from getting out of control, Dr. Osterc answered that they had not discussed this, and that it was a matter for our importers.

Reason for Greek Prime Minister's Visit Cited

92BA0205C Zagreb VECERNJI LIST in Serbo-Croatian 1 Dec 91 p 12

[Article by Virgil Kurbel: "Old Balkan Neighbors Seek New Alliances; Forging of 'Orthodox Axis'?"]

[Text] Prime Minister Konstantin Mitsotakis arrived in Bucharest on 27 November to sign a Greek-Romanian friendship agreement. He then left for Belgrade. What remains to be determined is whether Mitsotakis, in the Athens-Belgrade-Bucharest triangle, chose the city at the mouth of the Sava into the Danube as the metropolis of Yugoslavia or as the "capital" of militant Serbia. French diplomat Talleyrand (1754-1832) once said, "Much can be achieved with the bayonet, but you cannot sit on bayonets."

Serbia has gone to war against Croatia and broken up Yugoslavia. Along with Macedonia's move towards independence, the Croatian struggle too is disrupting the static nature of relations among Belgrade, Sofia, Athens, and Bucharest. The layer of ice over the postwar Balkans is breaking up. Statesmen are reconsidering the issue: Who all is possible as an ally, and who is becoming impossible as an ally?

Stumbling Block—Skopje

Greece is one of the 12 EC states hoping for the survival of some sort of Yugoslavia, regardless of how big. Its land routes for goods and tourists pass through Serbia. Greece agreed to sanctions against Yugoslavia, but it does not want them to affect only Serbia. And that is why international doors should be opened up to Milosevic!

It is alleged that for this reason a conference in Athens was planned in mid-September with the presidents of Serbia, Bulgaria, and Romania, but without Albania and—Macedonia. The plan came to nothing because the Bulgarian president was unwilling to discuss "the Macedonian question" without representatives of Macedonia, which in Athenian political circles is called the "Skopje Republic."

Western observers have already taken note of Greece's ambition to rally together the Orthodox states of the Balkans. The Athens-Belgrade-Bucharest international triangle would, if Sofia joined, become an important grouping from the mouth of the Danube to Crete in the Mediterranean, a calculated massif of states opposite Turkey.

If Orthodoxy is in fact to become a common denominator for modern states, then why is Orthodox Macedonia being circumvented? The Greek plan for a Balkan axis falls apart at Skopje.

Bulgaria recognizes Macedonia as a state. Greece would recognize Macedonia if it would renounce its Macedonian name. Bosnian President Izetbegovic tried to mediate in Athens. But Mitsotakis said, "The fact that Skopje has renounced all claims against Greece represents progress, but Macedonia is only a geographical notion, for us a multiethnic area divided among Yugoslavia, Greece, and Bulgaria."

The rigidity of Athens towards Skopje is inhibiting Greek policy in the Balkans. This gives Milosevic's Serbia maneuvering room towards Macedonia. But it is precisely for this reason that memories of the dark flip side of the "old friendship" between Serbia and Greece are being revived in Athens. The toasts and embraces have not definitely dissuaded Serbian politicians and generals from a "march on Salonika," towards the Aegean Sea, up to the southern borders of Dusan's empire, in whose court the language spoken was—Greek.

To What Extent Still Shunned by the West?

And no one is guaranteeing to Athens that greater Serbian appetites will be satisfied with Montenegro. The question of alliances is being reconsidered in the Balkans, and people are looking for new allies. Serbia and Greece are looking toward Romania, just as Bucharest is sending out feelers towards Belgrade and Athens. Ceausescu has been overthrown, but the Council of Europe lists serious minuses against Bucharest: neocommunism in collusion with neofascism, the chronic presence of dictatorial methods, illusory democracy at the very least. Serbia's timid opposition reproaches Milosevic's tyrannical regime for the very same thing.

Serbia and Romania are equally hurt by the West's lack of sympathy. To Belgrade and Bucharest, this provides stimulus for a rapprochement towards Greece, because it is a member of the EC. In pursuit of this goal, the "Orthodox connection" is also becoming a reality. The Romanians eagerly emphasize that their roots lie in the assimilation of Dacians with classical Romans. And Byzantium is the bridge from the classical period to the modern day. Byzantium is the Eastern Roman Empire of

Greek Christianity, the cradle of the entire Orthodox faith. Thus, modern Greece is forging a Balkan axis made of Orthodox alloy.

Despite the Western orientation of their intelligentsia, the religious part of Romanian consciousness belongs to the Orthodox world. And Greek has long emphasized its Byzantine roots, even through culturological arguments. Examples are the 1962 "Byzantine Art" exhibit in Athens, organized by the Council of Europe, and Greek's 1974 "Venetians and Byzantium" exhibit in Venice. Both legitimized Greek's Europeanism for acceptance into the EC, because if Byzantium extended with its mosaics all the way to Venice, Ravenna, and even further westward, then it is completely justified for Greek olives and lamb meat to compete in the middle of the European Community.

Thus, the Orthodox alloy of the planned axis in the Balkans must, through Greece, at least leave the door to Europe ajar for states that are having an increasingly difficult time being shunned by the West. This is why Mitsotakis traveled along the potential Athens-Belgrade-Bucharest axis at the end of November. But Mitsotakis has learned from Greek's experience that both Belgrade and Bucharest cannot sit on bayonets.

Federal

Loncar Confirms Resignation as Foreign Secretary

LD1112185791 Belgrade TANJUG Domestic Service in Serbo-Croatian 1717 GMT 11 Dec 91

[Text] Belgrade, 11 Dec (TANJUG)—The federal secretary for foreign affairs, Budimir Loncar, sent the president of the SFRY Assembly, Slobodan Gligorijevic, the following letter:

"I wish to inform you in writing that I announced and explained my definite and irrevocable resignation from the post of member of the FEC [Federal Executive Council] and the federal secretary for foreign affairs at the FEC session of 18 November this year. You are probably aware of the fact that the statement has already been announced publicly. I also submitted a formal request to the FEC president. Would you please acknowledge that I transferred the duties associated with my function to the deputy federal secretary."

FEC Calls EC Sanctions 'Unjustified'

LD1212111291 Belgrade TANJUG Domestic Service in Serbo-Croatian 1024 GMT 12 Dec 91

[Text] Belgrade, 12 Dec (TANJUG)—The Federal Executive Council [FEC] has presented to the Yugoslav Assembly a list of measures and activities which have been taken in order to neutralize or mitigate the effect of the one-sided EC sanctions against Yugoslavia. The general position of the federal government is that the decisions of the EC are "unjustified and illegitimate" and that they are in contravention of the letter and spirit of the GATT.

It is requested of the government of the FRG that it reexamine the decisions adopted against Yugoslavia in the field of communications, because they, it is said, have no legal or political basis in the currently valid documents of the international community. If the government of Germany does not reexamine its decisions, it is said, the FEC will take the necessary measures.

In connection with the decision of the United States to adopt sanctions against Yugoslavia as a whole, the Federal Secretariat for Foreign Affairs has lodged a protest with the U.S. Embassy, assessing that the measures are "unnacceptable because the political and constitutional crisis currently facing Yugoslavia cannot be resolved by economic sanctions."

Within the framework of the system of the UN organization, competent viewpoints on the legal questions and consequences of the sanctions and the respect for international law and discriminatory decisions will be sought.

Activities will also be taken to convene the coordinating bureau of the nonaligned so that an attempt might be made to secure a common viewpoint of the nonaligned countries, while a request will be made of the EC that it urgently convene a session of the Council for Cooperation between the EC and Yugoslavia.

Competent federal organs will examine the possibility of the timely raising of the question of compensation for the illegal action of the EC.

Vote of Confidence in Markovic Postponed

LD1212102891 Belgrade TANJUG Domestic Service in Serbo-Croatian 1000 GMT 12 Dec 91

[Text] Belgrade, 12 Dec (TANJUG)—The Yugoslav Assembly's Federal Chamber has postponed the debate for today which was envisaged on confidence in Ante Markovic, president of the Federal Executive Council [FEC].

The renewed postponement of the debate on confidence in the Federal premier and his team was explained by the need for delegates from all those republics who have not withdrawn their representatives from the Federal Chamber to vote on this, and this was not possible today.

Bogdana Glumac-Levakov, president of the Chamber, added that the FEC is at this moment preparing a program of macro-economic measures for next year which are designed to protect Yugoslavia as a whole and its economy from the economic sanctions taken against it by the EC.

The postponement of the debate on confidence in Ante Markovic had previously also been accepted at a meeting of coordinators, delegates, and chairmen of working bodies of the Federal Chamber.

Croatian, Serbian Laws Found 'Unconstitutional'

LD1112175391 Belgrade TANJUG in English 1653 GMT 11 Dec 91

[Text] Belgrade, Dec 11 (TANJUG)—The Constitutional Court of Yugoslavia today assessed as unconstitutional the provision of the Croatian criminal law defining as criminal acts against this Yugoslav republic the threatening of the territorial integrity and independence of the republic, armed uprising, terrorism and so on.

Under the federal constitution, criminal acts against the country's security are stipulated by the federation and they are regulated by the federal criminal law, as the Constitutional Court of Yugoslavia concluded.

It also declared as unconstitutional the amendments to the Croatian total defence law, under which this republic regulates military conscription and other defence issues, which are stipulated by a series of federal laws.

The Constitutional Court of Yugoslavia assessed as unconstitutional the provision of the law passed by the Republic of Serbia under which weapons, ammunition and licences to carry arms may be confiscated on founded suspicion that the weapons will be abused or if the interests of public law and order call for such a step. Under the provision, the municipal body is not obliged to give reasons for the confiscation.

The law can regulate the manner of confiscating weapons, ammunition and licences to carry arms for security reasons, but the citizens must be informed of all the facts and circumstances for the confiscation, as the Constitutional Court set out. On the contrary, it continues, the citizens are denied their right to prove material truth, that is, their right to protect their rights before state bodies.

Ministry Blames Croatia for Failed POW Exchange

LD1112212291 Belgrade TANJUG in English 1742 GMT 11 Dec 91

[Text] Banja Luka, Dec 11 (TANJUG)—Yugoslav Defence Ministry spokesman Col. Mirko Strbac today accused the Croatian side of the failure of an exchange of prisoners scheduled but not carried out yesterday. The exchange should have covered members of the Yugoslav People's Army (JNA) on the one side and members of the Croatian paramilitary formations on the other side.

Despite the agreement, neither representatives of the Red Cross Interational Committee nor EC observers appeared at the agreed location of exchange near Karlovac, Col. Strbac set out.

He said he had several contacts with Croatian Defence Ministry representative Miroslav Akmadza, who, as Strbac put it, kept on altering excuses for failing to attend the exchange.

Col. Strbac said that during the last telephone conversation, Akmadza told him the Croatian side was unable to come "because of mines planted on their (Croatian) side of the road" and that he had no men to remove the mines.

Col. Strbac said the Croatian side refused the proposal to make the exchange on the safe Karlovac-Vojnic main road (around 10 kilometers far from the agreed location), which is used for the JNA evacuation from Croatia.

JNA To Prosecute Deserters, Increase 'Discipline'

LD1112202391 Belgrade TANJUG Domestic Service in Serbo-Croatian 0843 GMT 11 Dec 91

[Text] Belgrade, 11 Dec (TANJUG)—Various aspects of noncompliance with military service commitments are on the increase, and military legal organs are focusing on them. According to the latest information provided by the Yugoslav People's Army [JNA] prosecution service, out of a total of 998 investigations started in October, 856 refer to avoidance of military service.

Discipline is being strengthened and a possible increase of investigations in November would be a reflection of a situation which prevailed earlier, Colonel Svetomir Obrencevic, JNA deputy prosecutor, told TANJUG.

Unlawful acquisition of weapons, munitions, and explosives is also on the increase, and this is very dangerous indeed. These items are resold and distributed with the result that weapons and explosive devices get into the hands of irresponsible and untrained people. This must be curbed by both military and civilian authorities, Obrencevic stressed.

According to him, the problem of property crime is becoming topical in crisis areas and the Federal Secretariat of National Defense has taken stringent measures to prevent it. For instance the procedure concerning the weapons, munitions, and equipment taken from "the opposing side" and personal possessions of the prisoners has been regulated down to the greatest detail.

Obrencevic said that acts of theft and robbing private property comitted by military personnel (JNA personnel on active service and other ranks) are only isolated cases and do not exceed the incidence of such cases in peacetime.

Colonel Miladin Papic, the JNA military prosecutor, confirmed that about 10,000 people had failed to respond to the military commands' draft notices.

During the six-month period this year [as received], 153 investigations were set in motion for military service evasion, and six times as many were launched in November.

All criminal acts of evading military service, including failure to respond to mobilization drafts, also count as criminal offenses, Obrencevic explained. Military prosecution services act selectively, and criminal proceedings

are instituted only when this action is unavoidable; in other cases, offense responsibility action is initiated.

Criminal proceedings are also instituted in the case of people liable for military service whose lack of response to the draft notice can have serious and harmful consequences. This applies especially to reserve officers, says Obrencevic, and also to those whose avoidance is persistent; to those who repeatedly fail to respond to draft notices; to those who actively urge others not to answer the draft; and also to group commitment not to fulfill one's military obligation.

Should any of these people subsequently agree to fulfill their military commitment, the proceedings can be stopped or a more lenient sanction applied. Offense proceedings can also be stopped in the case of those who change their mind.

Since the conflict in Slovenia, several JNA officers have committed serious criminal offenses of nonfulfillment of their commitments or abandonment of their units and facilities, while some others went over to the other side. According to Obrencevic, all these cases are being investigated.

They will answer for arbitrarily leaving their units and service and, in more serious cases, for undermining our military and defense power. The officers who changed sides are also charged with armed rebellion.

Some of them are inaccessible to our military organs, but proceedings against them are underway although, admittedly, the outcome is uncertain. Various options are possible, including suspension of investigation until these people have become accessible.

The captured members of Croatian paramilitary formations are treated as participants in armed rebellion. Some of them could possibly appear before military courts to answer charges of committing crimes against humanity and against prisoners.

The "all for all" exchange of prisoners will not prejudice a trial situation, and the proceedings against members of Croatian forces will be continued so as to gather evidence of crimes that have been committed, Colonel Svetomir Obrencevic said, adding that the military prosecution service will consistently apply the law to everyone.

Croatia Accused of 'Criminal Acts' in Bosnia

LD1112233491 Belgrade TANJUG in English 2243 GMT 11 Dec 91

[Text] Belgrade, Dec 11 (TANJUG)—Yugoslav military authorities accused today the legal state organs of the Republic of Croatia of a series of the gravest criminal acts in the territory of the Yugoslav Republic of Bosnia-Hercegovina.

The statement of the Yugoslav Air Force command specified that the criminal acts—kidnapping, terrorism, causing serious bodily injuries, thwarting official persons in their duty—were carried out in cooperation with the Interior Ministry of Bosnia-Hercegovina and neighboring Croatia.

As an example of this the kidnapping of an Air Force pilot in Mostar was cited. Mostar is the center of Hercegovina and it was pointed out as not surprising the inertia and the disinterest of competent police organs in Bosnia-Hercegovina regarding the implementation of the legal investigation on the occasion of his kidnapping.

Air Force pilot Dragos Stojcinovic was kidnapped on November 28 in Mostar as he was returning from an official mission. Stojcinovic was released in Zagreb yesterday within an exchange of prisoners of the Yugoslav People's Army (JNA) and the Croatian paramilitary forces.

The statement underscores that the JNA pilot, who is now undergoing treatment in Belgrade, was tortured and mistreated in a particularly brutal and perfidious manner.

Among other things, a red hot knife was used to cause injuries on his arms, legs, face chest and back of the head and other parts of the body.

Slovene-Croatian Border Problems Described

92BA0205A Belgrade BORBA in Serbo-Croatian 2 Dec 91 p 2

[Article by D. Draskovic: "Slovene-Croatian Border Problems; Slovenia Without Open Sea"]

[Text] Despite the supplications by republican spokesmen—that neither side has designs on the territory of its neighbor—there is public manipulation concerning an exchange of the north for the south (open sea for territory around Bregana).

Ljubljana—Recently, the mayor of Piran was called a vulture by people on the Croatian side of Istria for demanding Savudrija at a time when Croatia is at war. The mayor subsequently shut his mouth, but there is more and more whispered talk about borders unfairly revised after the war, when Slovenia did retain the gulf, but without any outlet on the open sea. Therefore, some people, especially Slovene fishermen, contend that without the open sea, Slovenia has no sea.

Until recently, political leaders on the Slovene side of Istria cited cadastral registers and old records proving that Savudrija is Slovene and that Kardelj, by means and for reasons that remain unknown, gave it to Bakaric as a present. At the moment, ecological experts are having their say, such as Boris Krizan, who contends that the border clearly cannot run along the current course of the Dragonja River all the way to the mouth, because this would lead to the destruction of the nature reserve there.

To make things worse, Croatia and Slovenia do not have an official border along the coast. At a time when

barriers have been set up on land, the Slovene side is clearly not pleased that the same thing is being done in the Gulf of Piran, or rather that the gulf is being divided in half. In this way, to make matters worse for Slovenia, not only would Croatia have more than half of the gulf; by drawing a line from Savudrija to Grado on the Italian side, Slovenia would also have its own "territorial maritime zone," but not an outlet to the high seas. A sea featuring these borders can already by found in a study by Dr. Lucijan Kosij.

But the Slovene side does not accept this, and some experts feel that the Piran Gulf should gain the status of "internal waters," which would be much more agreeable than the status of "territorial waters," because the territorial zone begins to be measured from the border of "internal waters" with the open sea. Drago Ulcar of the Koper Port Authority believes that Slovenia will be helped in this interpretation of the issue by Resolution 4 of the 1958 Geneva Conference on the Seas. In Ulcar's opinion, the interpretations in Dr. Lucijan Kosij's study are not in keeping with the aforementioned regulations of the convention.

Despite the supplications by republican spokesmen to the effect that neither side has designs on the territory of its neighbor, there is considerable public speculation about an exchange of the north for the south. For part of the territory through which Slovenia would have an outlet to the open sea, Croatia would supposedly receive some territory from southern Slovenia near Bregana, including Mokrice Castle. The vagaries in connection with the border will have to be resolved by a joint commission. Croatia will be led by Dr. Davorni Rudolf, minister of maritime affairs. The Slovene members of the commission have yet to be named.

Call For Slovene-Macedonian Mutual Recognition

92BA0205B Belgrade BORBA in Serbo-Croatian 2 Dec 91 p 9

[Article by D. Nikolic: "How Kucan's Offer to Gligorov on Mutual Recognition of the Independence of Their Republics Is Viewed in Macedonia; Rash Provocation of 'Alpine Egotism'"]

[Text] Macedonian recognition of an autonomous and independent Slovenia means nothing to Slovenia. However, the recognition of Macedonia by an unrecognized Slovenia would not mean much to Macedonia.

Kucan's letter to Gligorov can be interpreted in only one way: Macedonian recognition of an autonomous and independent Slovenia means nothing to Slovenia. However, the recognition of Macedonia by an unrecognized Slovenia would not mean much to Macedonia. On the contrary, the act of recognition by Slovenia, prior to the Hague agreement and despite it, could harm Macedonia. The very act of recognition would be reduced to the level of mutual recognition of the unrecognized.

Kucan's letter to Gligorov is a compliment to Macedonia and to Gligorov. However, Macedonia would not want to be a fence behind which Slovenia would be trapped. It wants to be something more than that—a serious, sovereign state that will be recognized by the European community within the framework of the Hague peace process. Without this, Macedonia, by recognizing Slovenia, would at the same time be recognizing the unilateral act of Slovene secession, which it has officially and unofficially condemned. Macedonian recognition of Slovenia would constitute support for that unilateral act, and at the same time would constitute another unilateral act, this time a Macedonian one. Macedonia refrains from any unilateral acts whatsoever, and thus from recognizing such acts as well.

In Macedonia, people do not share Kucan's opinion that Slovene secession did not affect others, thus including Macedonia. Indeed, in Macedonia people have adopted the syntagma first used by Krste Crvenkovski, concerning "Slovene Alpine egotism." Specifically, the idea is that during the entire postwar period, Slovenia has been in a privileged position, and when it was forced to stand on equal footing with the others, it simply seceded.

Before Slovenia declared its autonomy and independence, Macedonia was deprived of one entire bank—and Ljubljana Bank was transformed from a basic bank to simply a branch office. When Slovenia seceded, it saddled Macedonia with all the depositors and other clientele of that bank. Nor did Slovenia settle its debt with Macedonia, amounting to some $1.4 billion, and through a unilateral decision it also suspended the construction of dozens of jointly launched projects. By introducing the tolar, after which any transfer of payments was impossible, it effectively broke off business ties with Macedonia, showing interest only in its own property (business premises) in Macedonia. To be sure, Macedonia has restricted the sale of these premises, but it has not taken possession of them, nor does it intend to do so.

Thus far, cooperation between Slovenia and Macedonia has been discussed on numerous occasions by government and economic delegations from Slovenia and Macedonia, but not much progress has been made in beginning to reestablish the interrupted business ties and the transfer of payments. First, because there are problems with transit between Slovenia and Macedonia due to the war in Croatia, and second, because the transfer of payments is, so to speak, impossible as long as the tolar is not used in Macedonia and the dinar is not used in Slovenia.

Bartering in goods is unacceptable to Macedonia because that is supposedly a medieval means of trade. In any event, trade must be conducted using money, and if that cannot transpire in dinars or tolars, then it must be in dollars.

Kucan also proposes to Gligorov that diplomatic relations be established with Macedonia within the shortest

possible period of time, which would supposedly be very advantageous for cooperation between the two states. At the same time, Slovenia is shutting down its only newspaper office in Macedonia (that of DELO), which is a sign of its diminished interest in events in Macedonia.

Moreover, the idea of mutual recognition by the unrecognized republics was first presented by Dragi Arsov, the vice president of the Macedonian parliament, during the first visit to Macedonia by a Slovene delegation. This VMRO [Internal Macedonian Revolutionary Organization] proposal is completely in keeping with the policy of that extremist Macedonian party, which is in favor of unilateral acts and even armed war, but it is utterly out of step with Macedonian policy and its commitment to resolving the Yugoslav crisis within the country and abroad. Kucan's acceptance of that proposal and its formulation in the interstate offer can be interpreted only as meaning that the Slovene leadership is at the end of its rope due to internal problems, primarily economic ones. It appears that for now Macedonia has no need to accept rash provocations.

Viability of 'Third Yugoslavia' Discussed

92BA0188B Belgrade BORBA in Serbo-Croatian 1 Dec 91 p 5

[Article by Ivan Torov: "Quills on the Leopard's Skin"]

[Text] If it is taken as a fact that The Hague negotiations to resolve the Yugoslav drama have failed primarily because of the ambitions of national leaders to shape the destiny that until recently was Yugoslavia each according to his own conception, it is quite understandable that the dilemma of whether any Yugoslavia at all is possible in the future and what kind that would be is the one that arises most frequently in public. For Slovenia and Croatia, it is no longer possible, except as some kind of trade zone. For Macedonia and the Muslim and Croat segment of Bosnia and Hercegovina, it is possible exclusively as an alliance of sovereign states or loose association, according to the prescription of Lord Peter Carrington.

There remains, then, the Serbian and Montenegrin variant of a federal, firmer Yugoslavia, consisting of the "peoples which desire to live in it." And which, if one is to judge from recent moves of Slobodan Milosevic and Momir Bulatovic in The Hague, is aimed at preventing interruption of the continuity of the Yugoslav state, that is, at inheriting the right to it. That position, understandably, could not be acceptable to the other four republics (which still do not have international recognition), which is why The Hague negotiations ended in a blind alley and their epilogue consists of a continuation and intensification of the war to settle accounts in Croatia.

The Rule of Arrogance

There are two concepts opposite to one another involved here. The one held by the republics that have "seceded" to the effect that Yugoslavia no longer exists and that the final balance sheet of division should be drawn up, and then "everyone will seek his own partners," and the other, which does not acknowledge the collapse and disintegration of Yugoslavia, even though only one nationality has remained within its framework, though, of course, its borders have been considerably expanded.

Is a third—or, as it is usually termed, a "truncated"—Yugoslavia possible? If the measure of aggressive and arrogant mutual imposition of solutions and the policy of the fait accompli is to be applied, then there is no doubt that everything is possible. That Yugoslavia no longer exists for some (seeking their share of the pie), while for others it will exist without any interruption at all (without a thought to the final accounting). Precisely because of such circumstances, because of the extreme hatred (generated) among the nationalities of the former community of "equal nationalities and ethnic minorities," and also because of the unceasing provocation of further mutual military ambitions and territorial claims, a rational dialogue on prospects for any governmental or any other kind of association is simply impossible today. Indeed, even if such an agreement were to be reached, it would be primarily the result of bargaining back and forth, concessions, compromises, and reconciliations of the personal ambitions of national leaders, not the true expression of the will of the peoples in this region.

So, a third, or "truncated" Yugoslavia is possible and, as matters stand at the moment—rearrangement of the SFRY Presidency, the Yugoslav Assembly, and the federal government—in the minds of its creators, but against the will and recognition of the appropriate international institutions, it ought to consist of Serbia (in its present "administrative" borders), Montenegro, the Serbian part of Bosnia and Hercegovina (according to Radovan Karadzic, 64 percent of the territory of that republic), and two Serbian areas in Croatia (the Kninska Krajina and a region in Slavonia and Baranja).

Ethnic Cleansing

Branko Kostic, the most ardent advocate of that idea and the vice president of the supreme body of that state as yet unformed, has already calculated that 12.6 million inhabitants of what was Yugoslavia "have expressed a desire to live in such a state." Breaking down the results of this blitzkrieg poll by Kostic signifies the following: 12 million Serbs and 600,000 Montenegrins.

But because that new state has the ambition of "for the first time in the history of humanity" bringing together within a single framework (FRAME) all the members of one nationality in (the former) Yugoslavia, its existence presupposes complete ethnic-geographic demarcation of everyone from everyone else. What that signifies in concrete and practical terms has been amply demonstrated in past months by the unprecedented slaughter on the battlefield in Croatia. To what extent that primary objective of the present actors in the Yugoslav drama is feasible will depend primarily on whether the new state adapts to the existing ethnic leopard skin or will attempt

to turn that spottiness into an ethnic map with blocks of solid color. And that undoubtedly presupposes large-scale migrations, personal and collective tragedies, to which in the past many untouchable dictators and rulers were inclined.

In whatever version, however, a third Yugoslavia (however much its owners would like it) could not be ethnically cleansed, at least not to the extent desired. Slightly more than 50 percent of the population would be made up of Serbs and Montenegrins, and the other (almost) half would consist of Muslims, Albanians, Hungarians, Croats, and all the other nationalities which even today live on the territories of the assumed new Yugoslavia. Of course, it would all be feasible and might even end well if in the meantime the Yugoslav split were not taking place under circumstances that simply do not allow an approach that is at all rational and democratic. Even today the Muslims, and especially the Albanians and Croats (outside Croatia), are not showing even a minimum of desire to continue life with the Serbs, nor have the latter bent over backwards displaying tolerance toward non-Serb nationalities and minorities.

The absence of democracy, the domination of newfound ethnic egoism, and the strong influence of national-socialist ideology—those are all reasons that make the possibility of some kind of life together unrealistic and insupportable at this point. Unless the desire is not [as published] (and there are quite a few such signs) for the new society to be based on a disguised or open domination of one nationality and one national policy, in which everything else will have "subtenant status," that is, will be guaranteed what "the world today recognizes." Such a state could, it is true, survive, but on repression of the "legal system," and as a rule it would be short-lived, because it would live in a chronic instability. Not only interethnic, but also economic and social. We must assume that Kosovo and the Sandzak will continue to be neuralgic points, and we should not forget that the creation of the new state without international legitimacy would certainly initiate and revive old Balkan quarrels over mutual relations of the various states and antagonisms related to the position of the ethnic minorities. Mother for some, stepmother for all.

Although the so-called Belgrade initiative copies to some extent the form of "parliamentary democracy" that has existed up to now in the future Yugoslavia as well (the Federal Assembly with two chambers—the Chamber of Republics and Provinces and the Federal Chamber), it is more than clear that that system would actually legalize the dominance of one nationality. The Chamber of Republics and Provinces was until recently an assemblage of six equal republics (and of the peoples in them), but in future it would for all practical purposes offer equality to six, seven, or eight federal units with a predominantly Serb (and Montenegrin) structure. In essence, it would all come down to the equality of Serbian republics and regions. Consensus in decision-making would only be an empty facade of some kind of national democracy.

The principal chamber—the Federal Chamber—as interpreted by those who do not look kindly on a "truncated" Yugoslavia, would operate on the principle of "one man, one vote," and that would lead directly to dominance and domination of a single nationality. That principle, to be sure, ought not to be in dispute, but only in a state with a predominantly monoethnic composition and in which democracy would enjoy that level of development that treats ethnic problems as a problem more or less solved. The present Yugoslav republics are far from such a democracy, they are close to ethnic autocracy. At the same time, however, the creators of the new state simply emphasize that their objective is not to create an ethnically pure community.

Yugoslavia, then, is possible, but not the one being pushed in the name of the "historical interest" of only one nationality, not the one that is being pushed as a proxy for some kind of megalomaniacal, egoistical, monoethnic, or ideological purposes. That kind of Yugoslavia will certainly have a much shorter life than the previous two. If it is based on an improvisation of leaderist alliances and deals or on the interests of day-to-day politics and ideological resistance to international influence, then it will have all the preconditions for being mother to some and stepmother to others and ultimately stepmother to all, or, as it is usually put, a new and third "prison of the people or nationalities."

Slovenia

Kucan Answers Questions on Hague Conference

LD1112230491 Ljubljana Radio Slovenia Network in Slovene 2100 GMT 10 Dec 91

[Text] Milan Kucan, president of the Slovene Presidency, was guest today of the "Studio at 1700" [Studio ob sedemnajstih] program. He mainly answered questions on The Hague meeting yesterday [9 December]. Kucan stressed that it was not a plenary session, but an informal meeting on the position The Hague conference was in, whether there is any sense in continuing it, and on the opinion of the Arbitration Commission on the situation in Yugoslavia. The point at discussion is whether Yugoslavia is breaking up or whether unilateral secession by some republics is the hub of the Yugoslav crisis. Slovenia, Croatia, Bosnia-Hercegovina, and Macedonia are of the opinion that the process is one of the state breaking up and not secession and that all the republics are legal successor states of Yugoslavia. This also is the view of the Arbitration Commission. This point of view is resisted by Montenegro and especially by Serbia.

In The Hague Milan Kucan stressed that Yugoslavia has broken up by virtue of the will of the citizens in the republics which opted for independence because, at least as far as Slovenia is concerned, the existence and the future of the Slovene people were under threat in Yugoslavia.

The arrival of the UN peacekeeping forces is uncertain because the condition for their arrival has not been fulfilled, that is, cessation of clashes. However, Lord Carrington's decision is important that in future work he will heed the views of the Arbitration Commission, Milan Kucan stressed, saying that the continuation of the conference depends on Lord Carrington's judgement.

Croatia

Separovic Departs for Visits to Sweden, Finland

LD1112230191 Zagreb Radio Croatia Network in Serbo-Croatian 1800 GMT 11 Dec 91

[Text] Croatian Foreign Minister Zvonimir Separovic is leaving today on an official visit to Sweden and Finland where he will meet the Swedish and Finnish foreign ministers, leading members of the parliaments, and chairmen of parliamentary parties. Recognition of Croatia, the deployment of UN peacekeeping forces, humanitarian aid for refugees, and the economic reconstruction of Croatia will be the main topics of talks between Zvonimir Separovic and his hosts.

Tudjman Relieves Economy Minister of Duty

LD1112212391 Belgrade TANJUG Domestic Service in Serbo-Croatian 1032 GMT 11 Dec 91

[Text] Zagreb, 11 Dec (TANJUG)—By a decision of the Croatian president, Vladimir Veselica was relieved of his duty as a member of the Croatian Government. The decision was published in the latest issue of the Croatian official gazette NARODNE NOVINE [People's Paper—FBIS] which says that the decision was adopted at the personal request of Vladimir Veselica.

Vladimir Veselica was a minister without portfolio in the government of the Republic of Croatia, responsible for economic issues. He became a minister when the government of democratic unity was set up and was a representative of the Croatian Democratic Party.

Chairman of the Croatian Democratic Party Marko Veselica told TANJUG that the party had left the government of democratic unity, because "an agreement which parties signed when the government was set up has not been fulfilled".

Marko Veselica added that his brother Vladimir Veselica was still allowed to be a minister in the government, but as an expert rather than as a representative of the party.

According to Marko Veselica, Vladimir Veselica resigned as a member of the Croatian Government a week ago.

Tudjman Appoints New Osijek Defense Commander

LD1012141191 Belgrade TANJUG Domestic Service in Serbo-Croatian 0929 GMT 10 Dec 91

[Text] Zagreb, 10 Dec (TANJUG)—Branimir Glavas was appointed new Osijek defense commander by Croatian President Franjo Tudjman's decree. Glavas was promoted to the rank of Croatian Army lieutenant colonel three days before taking up that position, also by Croatian presidential decree.

Edo Bakarac, former Osijek defense commander, was appointed Osijek defense command chief of staff.

JNA Withdraws From Zagreb Barracks 11 Dec

LD1112172691 Belgrade TANJUG in English 1624 GMT 11 Dec 91

[Text] Zagreb, Dec 11 (TANJUG)—A convoy of 38 military vehicles today left the barracks "Marshal Tito," the largest barracks in the Croatian capital of Zagreb, and is headed for the Republic of Bosnia-Hercegovina.

The evacuation of the "Marshal Tito" barracks will continue and the date by which the barracks will be vacated is not known yet, as federal military sources announced.

The agreement on the lifting of the blockades of the Yugoslav People's Army (JNA) barracks and the withdrawal of JNA units from the war-affected Republic of Croatia was signed on November 8, but there have been standstills in its implementation.

Paramilitary Forces Accused of Village Massacre

LD1112233091 Belgrade TANJUG Domestic Service in Serbo-Croatian 1518 GMT 11 Dec 91

[Text] Divos, 11 Dec (TANJUG)— The village settlement of Divos, about 15 km from Osijek, has been completely destroyed. During the fighting for this village near Osijek which has a population of about 100 residents, mainly Serbs, 24 local people have been killed, journalists who toured the village were told today. Some of them were massacred by members of the Croatian paramilitary forces, something the journalists were able to see for themselves.

The body of 35 year-old Milenko Zgonjanin, tortured in the most horrible way, was found in the courtyard of his house. A nail had been driven into his forehead, his skull had been split in two by an axe, his eyes had been gouged out, and three fingers on his left hand had been cut off.

Besides this terrible picture, journalists were able to see other corpses in a village street near the village of Jovanovac, whence snipers of the Croatian forces fired shots throughout the morning.

During their withdrawal Guardists and members of the [Croatian] Ministry of Internal Affairs also killed livestock and destroyed a bridge linking Ernestinovo and Divos, as well as nearby electricity pylons.

Demolished houses and wrecked vehicles add to this terrible picture. On the wall of a burnt out single-storey house are daubed the words: "The Ustasha will reign here—Ustasha—Independent State of Croatia."

Serbian 'Occupier' Changes Towns' Names

LD1012210891 Zagreb Radio Croatia Network in Serbo-Croatian 2100 GMT 9 Dec 91

[Text] The occupier is mercilessly destroying all traces of the Croatian nation in Glina municipality. The whole of Croatian spiritual and material culture is under attack, especially the Roman Catholic Church, it was learned in the Croatian Government's council for Glina municipality. Representatives of the so-called Serbian nation in Glina municipality, within the Serbian Autonomous Region of Krajina, have, it was learned, changed the name of the town of Glina, which has recently—after 800 years—been named Banijska Palanka. The names of 34 villages with Croatian residents have also been changed.

Subversive Activities Among Osijek Guards Cited

92BA0186C Zagreb VJESNIK in Serbo-Croatian 30 Nov 91 p 1

[Article by Mirko Sajler: "A 'Trojan Horse' Is Threatening Osijek"]

[Text] A Trojan horse has entered Osijek. This is confirmed by the subversive activity of infiltrators disguised in Guard uniforms who have systematically been destroying the city from within. The false Guards, together with KOS [Counterintelligence Service] agents and fifth columnists, made up a strong enemy group which has seriously threatened to weak Osijek's defense. But special units of the Croatian army have managed to deal them a serious blow by arresting 10 of its members.

Who are the members of the Osijek enemy guerrilla group? The KOS agents are former influential people from Osijek, politicians, physicians, enterprise directors (mainly of Serb nationality)... and the fifth columnists are Serbs who were afraid of losing the communist privileges they have had up to now. These are usually merchants, those who run restaurants and hotels, and private businessmen who were involved in all sorts of things behind the "steel curtain" of their enterprises. And they were joined by commandos infiltrated into the city.

The "Cepin Group" Arrested

When the enemy occupied Baranja, the region of the eastern part of Osijek Opcina around Dalj, Erdut, and Bijelo Brdo, a large number of refugees came to Osijek, and enemy commandos came into the city among them and immediately joined the National Guard Corps. Now, there are three kinds of Guards cruising the city streets of Slavonia's largest town. The first group is those who want to fight against the aggressor for an independent Croatia; the second consists of war profiteers, thieves, and burglars looting the apartments of those who have been driven away, that is, people whose sole objective is personal enrichment; and the third group consists of enemy guerrillas. They infiltrated from Baranja, Dalj, Bijelo Brdo, and Stara Tenja, they linked up with local fifth columnists and KOS agents, and from their shelters they have been destroying the city with mortar fire.

According to Dr. Zlatko Kramaric, mayor of Osijek, "A very strong point of support of fifth columnists, KOS agents, and infiltrated commandos was discovered in the village Cepin, not far from Osijek, where the accomplices were discovered who had harbored the commandos. These are local people of Serb nationality who up to now have enjoyed a very good reputation. However, even that Cepin group has been exposed and arrested. Several mortars and a large quantity of small arms and ammunition were found in the possession of a prestigious manager of the oil mill in Cepin. A large arsenal of weapons from which fire was opened at night was found in the possession of another person who worked in the local 'Jugopetrol' gasoline station. Two persons were killed in the last attack of these fifth columnists and their collaborators in Cepin.

"In order to defend the city successfully against attacks from terrorist points of support in Baranja, Sarvas, Stara Tenja, Sodolovci, and Ernestinovo, we must mop up the enemy groups within the city. This is being done energetically, and I think that soon the city will have been completely freed of KOS agents, the fifth column, and intruders in Guard uniforms. We are being given a great deal of help in this by citizens themselves, who are constantly reporting the positions from which those hostile groups are springing up within the city."

"Threatened" From the West

Difficult days lie ahead for Osijek. The enemy is trying to surround Slavonia's largest city from the west as well, which is the only possible direction for egress. This is confirmed by the news that inhabitants of villages with a Serbian population, Budimci, Poganovci, and Bijela Loza, have sent an appeal to the effect that they are "in jeopardy" and that "the Ustashoid Croatian authority is threatening them with genocide," although until recently these are places with a predominantly Serb population pointed to as an example of getting along well with all their neighbors. It is obvious that this was actually an appeal to the occupying Yugoslav Army to come forward as a "protector" and open a new front on the line Nasice—Valpovo, whereby Osijek would have been completely surrounded. This "appeal for help" from the Serbs in Nasice Opcina, who at first refused the "fraternal assistance" of the Chetniks, is not actually a surprise,

but a formula that is now well-known and which the occupier uses to open new hotbeds of crisis on the territory of Croatia.

Assessments that Osijek is of no interest to the occupier obviously do not hold water. This is confirmed by the last meeting of the "great people's assembly of SAO [Serbian Autonomous Oblast] Krajina, Slavonia, Baranja, and western Srem," which adopted a decision proclaiming Stara Tenja a new Serbian opcina seat until such time as "Osijek is liberated." Because the "great people's assembly of SAO Krajina" was also attended by Stanko Cvijan, a minister in the Serbian government responsible for Serbs outside the parent republic, it is obvious that the name of Osijek is also entered in the Serbian scenario for conquering Croatian territories. That is why the defense of this city faces great trials in the days to come. There is also indication that Osijek is entered on the map of "expanded Serbia" in the activity of the enemy group infiltrated into the city with the task of weakening the defense and facilitating the more rapid arrival of the "liberators." For the moment, however, the Croatian army is dealing the aggressor strong blows both inside Osijek and outside it.

Serbia

Prime Minister Zelenovic Submits Resignation

LD1112213391 Belgrade TANJUG in English 1915 GMT 11 Dec 91

[Text] Belgrade, Dec 11 (TANJUG)—Prime Minister of the Yugoslav Republic of Serbia Dragutin Zelenovic has submitted his resignation, it was unofficially learned tonight.

At a closed session of the MP [member of parliament] club of the Socialist Party of Serbia (SPS) this afternoon, President of the Assembly (parliament) of Serbia Aleksandar Bakocevic, according to unconfirmed information, notified the deputies about the prime minister's resignation.

The closed session of the SPS MP club was held after the end of today's sitting of the Assembly. Deputies of the SPS hold 193 out of the total 250 seats in Serbia's parliament.

It was learned that Zelenovic decided to resign because he had been unable to name two deputy prime ministers, and also because he had not wanted to agree to a new government reshuffle.

Thanks Deputies for Understanding

AU1212104091 Belgrade Radio Belgrade Network in Serbo-Croatian 0930 GMT 12 Dec 91

[Text] In accordance with Article 53 of the Constitution of the Republic of Serbia and Article 145 of the Serbian Assembly Rules of Procedure I hereby submit my resignation from the post of the President of the Government of the Republic of Serbia.

I would like to take this opportunity, comrade president, [Aleksandar Bakocevic, president of the Serbian Assembly] to hereby thank the deputies for their high degree of understanding for the Government's work, for the protection of the Government's and my integrity, and for their cooperation in performing this complex task. I wish you all success in your future work. With best wishes.

[Signed] Dragutin Zelenovic.

Party Disputes Federal Bodies' Legitimacy

AU1112165491 Belgrade Radio Belgrade Network in Serbo-Croatian 1400 GMT 11 Dec 91

[Text] The Democratic Party Executive Committee has sent Radio Belgrade an announcement in which it disputes the legitimacy of the SFRY Assembly, the SFRY Presidency, the Federal Executive Council, and the National Bank of Yugoslavia. We quote:

At the expense of its state sovereignty and the interests of the citizens of Serbia, the state of Serbia is still enabling such authorities to act on its territory. In the opinion of the Democratic Party, in this respect one should particularly point out the role of the Yugoslav People's Army, which is carrying out the mobilization of citizens of Serbia for war purposes with no political control by Serbian organs of power.

The next remark refers to the main media which, according to them, are under complete control of the ruling party.

At the end of its announcement, the Democratic Party demands that the Serbian Government state its views on these issues and explain what consequences the economic sanctions against Serbia are going to have.

Novi Sad Corps Reports Cease-Fire Violations

LD1112195391 Belgrade TANJUG Domestic Service in Serbo-Croatian 1528 GMT 11 Dec 91

[Text] Dalj, 11 Dec (TANJUG)—The information service of the Novi Sad Corps told journalists today that last night and this morning the Croatian paramilitary forces opened fire on Yugoslav People's Army and Territorial Defense units near the villages of Ernestinovo, Divos near Osijek, Stari Seles, Novi Seles and Tenjski Antunovac. There has also been shooting from Nustar, in the direction of the villages of Markusica, Paceta and Karadzicevo.

The Novi Sad Corps stress that Croatian paramilitary formations are using heavy artillery weapons.

Croatian snipers today opened fire on journalists visiting the first frontline near Divos, from the neighboring village of Jovanovac.

According to the Corps statement, combat crop dusters of the Croatian Army were last night flying over Bilje and Darda in Baranja, but did not open fire. The Novi Sad Corps units did not react to these provocations of the Croatian side, and they are trying hard to strictly observe the brokered cease-fire, it is said in the Novi Sad Corps in Dalj.

Commander Claims Croatian Groups Based in Hungary

LD1112235491 Belgrade TANJUG Domestic Service in Serbo-Croatian 1520 GMT 11 Dec 91

[Text] Erdut, 11 Dec (TANJUG)—Almost every day, Croatian paramilitary sabotage groups are raiding Baranja from Hungary, Radovan Stojasic, the commander of the territorial defense units of the Serbian region of Slavonia, Baranja, and western Srem, said in Erdut today. He added that two members were captured yesterday.

Our forces are observing the cease-fire, although this is detrimental to the defenders of this region, Stojsic told journalists. The positions of the territorial defense, Army, and volunteers are being fired on every day from Osijek, Cepin, and Nustar. During yesterday's mortar attack on Tenjski Antunovac, one reservist was killed.

According to the territorial defense commander, the Croatian forces are fighting among themselves in Osijek, and there is no united command there. During the apparent lull, they are getting ready for an offensive, but we are not sitting idly either, Stojsic added.

The commander of the regional territorial defense is not convinced that the "Blue Berets" will come to the crisis area in Croatia, and "even if they do come, they can deploy only on the battle front." If the Army does withdraw from these regions, the people will have enough forces and weapons to defend themselves alone, Radovan Stojsic said.

Oppositionists Speak Out, Condemn War

PM1112122491 Paris LE MONDE in French 11 Dec 91 p 4

[Florence Hartmann report: "This War Has Sullied the Serbian People"]

[Text] Belgrade—A year ago, the Serbs were going to the polls to elect their president and their parliament. They were the first free and multiparty elections since World War II. On 9 December 1990, Slobodan Milosevic and his Socialist Party (former Communist Party) won the election. They promised "peace and prosperity" and their favorite slogan was: "With us there is no uncertainty."

The Serbian opposition, repressed by official propaganda which accuses any opponent of Mr. Milosevic's war policy of treason, had kept virtually silent since the start of the conflict in Croatia. A few low-key and isolated speeches were nonetheless heard, rejecting nationalist extremism and calling for a negotiated solution. On Monday 9 December, all the biggest opposition parties drew up a veritable indictment of the existing regime and the war. Accusing the Serbian regime and the Yugoslav Army's "communist generals" of sending Serbs to their death, Vuk Draskovic, leader of the Serbian Renewal Party, said that this war "could and should have been avoided."

According to Mr. Draskovic, a democratic regime in Serbia could have negotiated with the Slovenians who "are primarily fleeing Belgrade's communism": "A compromise with Ljubljana could have forestalled Croatian secessionism. But Serbia preferred to launch a war at the worst time in its history when it is experiencing a serious economic crisis, and no longer has allies or weapons." "In the name of the Serbian cause," he added, "we have lost our future and our freedom. Serbian youth has been decimated, they are dead and wounded, in prison, or in psychiatric asylums. This war has sullied the Serbian people, because when the communist army forces us to attack the Croatian cities of Vinkovici and Osijek (Slavonia) we become occupying forces." "If we bomb Osijek," he added, "we must expect them (the Croatians—LE MONDE editor's note) to bomb Belgrade."

Furthermore, Mr. Draskovic stressed, we are outraged by a victory like that of Vukovar which will be remembered as the "Hiroshima of Serbian and Croatian madness." He then concluded: "For Serbia, the communist army is a foreign army."

Dragan Veselinov from the Peasant Party said that the Serbian regime and the Yugoslav Army have the same objective: "The maintenance of a communist Yugoslavia under the control of communist generals." If Serbia does not want to be the "federal Army's hostage" and if it wishes to establish ties with other states, "it must become an independent state and form its own army." Serbia is not solely responsible for this war but, Mr. Veselinov said, it has a duty to end the hostilities and amnesty all those who, because of their democratic aspirations, refused to fight.

In Mr. Veselinov's view, the people have been manipulated because they are not fighting to defend their homeland but to "defend Mr. Milosevic's regime and the military junta." Second, Serbia should recognize the sovereignty of Bosnia-Hercegovina instead of trying to move closer to Bosnia's Serbs. He added: "The Serbs must learn to live with other peoples as they have hitherto done."

"Mr. Milosevic's policy," he added, "has cut Serbia off from the West and has dragged it into a war which has ruined its economy and which makes it incapable of defending anybody's interests. The Serbia we need," he added, "is a Serbia which inspires confidence instead of aspiring to conquer land." Accusing Mr. Milosevic and the ruling party of having plunged the country into poverty and being incapable of defending the Serbian

people's interests, Nicolas Milocevic, of the Liberal Party, also accused the Serbian Orthodox Church of "supporting the current regime." Noting that, in the present situation, the opposition is not capable of liberating itself from communism by parliamentary means, the leader of the Liberal Party proposed the establishment of a democratic monarchy and the return of Crown Prince Aleksandar Karageorjevic.

According to Vojslav Kostunica, the deputy chairman of the Democratic Party, the opposition should unite and form a close coalition to overthrow communism and restore democracy in Serbia. In a communique issued on Monday, the Democratic Party also condemned the recent bombing of Dubrovnik and Osijek and protested the federal Army's offensive against Croatian villages. "We are demanding that the Serbian president and government dissociate themselves from these military operations," he said.

Kosovo's Bukoshi Interviewed on Albanian Question

AU1112092591 Pristina BUJKU in Albanian 1 Dec 91 p 3

[Unattributed interview with Kosovo Prime Minister Bujar Bukoshi; place and date not given: "There Are Still Differences in Europe Over Solving the Albanian Question"]

[Text] [BUJKU] BUJKU decided to interview you about Flag Day [28 November], the day of all Albanians. Besides expressing your congratulations, what else can you tell us about this festival, so that the Albanians will no longer celebrate it separately, and especially not with half of them under occupation?

[Bukoshi] First of all, let me congratulate you all on this sacred festival on behalf of the Provisional Government of the Republic of Kosovo. I hope that we will be freed from occupation on future Flag Days.

[BUJKU] The entire Albanian public welcomed the formation of the Republic of Kosovo's coalition government. What qualitative steps forward did this move by the Kosovo Republican Assembly achieve?

[Bukoshi] I also think that the formation of the Provisional Government of the Republic of Kosovo was well received, with some small exceptions. I think that the government can carry our movement forward if we work hard and together.

[BUJKU] You have occupied the responsible post of prime minister of the Kosovo Government for two months now. During this time, you have met European statesmen and officials. To what extent and in what ways are they concerned about the question of Kosovo?

[Bukoshi] These five weeks of the government's life are a short time for a stocktaking, but we have started well. Let us see. In my meetings with European statesmen and officials and various specialists in different Balkan and East European fields, I encountered interest and concern about the situation in Kosovo and the question of the Albanians in Yugoslavia. There are differences and not everybody is united on how this crisis should be solved in practice.

[BUJKU] What about the question of the Albanians in Yugoslavia?

[Bukoshi] The question of the Albanians in Yugoslavia is evident in all its complexity, all the more so when it is unanimously admitted that Yugoslavia de facto no longer exists.

[BUJKU] What about the question of the Albanians in the Balkans in general?

[Bukoshi] This compounds the complexity of the Albanian question, because it is expected that various relationships within the Balkans will change if Albania grows stronger as a democratic state, something which, as you can see, many democratic states in Europe and America are taking an interest. Albania, besides the CSCE and the Council of Europe, will in due course become a member of the EEC. No doubt people's words and arguments will then change. Of course, matters will then run differently.

[BUJKU] It is important for the Albanian public to know the Germans' view about solving the question of the Albanians in Yugoslavia and the Balkans in general, because it was in Germany that you were "launched" as the prime minister of a sovereign, independent, but occupied European state.

[Bukoshi] It is vital for the Albanians to become stronger and more united domestically and to be aware that circumstances and balances of power forge allies but also sacrifice peoples. The Albanians must be aware of the historic character of this period, when Europe is being restructured, and consolidation is necessary. As for the German sphere, which will no doubt dominate European politics in the future, it is the furthest forward in its correct estimation of the Albanian problem. Good contacts and solid relationships with Germany and Austria have been forged.

[BUJKU] After your talks in Slovenia about the fate of Albanian soldiers who deserted the Army, you also talked with other high-level officials about the political will of the Albanians of Kosovo. Can you tell us something more than what was published in DELO about the recognition of Kosovo as a sovereign republic within former Yugoslavia?

[Bukoshi] I think that we will increasingly strengthen cooperation with Slovenia, which at the moment takes the most correct stand in what was Yugoslavia.

[BUJKU] You returned last week from a visit to the Republic of Albania. You met the highest leaders there. What are the Albanian top people and diplomats now doing to solve the Albanian question once and for all?

[Bukoshi] Unfortunately, the situation in Albania is very serious. Those you call the top people of Albania are trying to find a way out of this serious economic and social crisis, but I have the impression that there is still no consensus on priorities. However, I am convinced that positive trends will develop in Albania, which will help the country to recuperate and overcome the crisis very quickly.

[BUJKU] The situation in Kosovo is becoming increasingly difficult, not to say unendurable. The Albanians seem to have got used to being out of work, schoolchildren and students have lost one year's classes, and there are no media... What can be done against this total loss of Albanian rights at a time when provocations and cases of physical maltreatment, murder, and imprisonment are increasing?

[Bukoshi] I think that we as a people must act with prudence, just as we have done so far. Being fully aware that we are dealing with an exceptionally barbarous regime, we must do our utmost not to fall into the trap of a stage-managed conflict. As the saying goes: When an oak tree falls, steer clear. We have already avoided such a conflict once. The bloody conflict took place in Croatia. The Albanians and the world saw how one Slav people can slaughter their brother Slavs. We can imagine what it would be like with a non-Slav people.

[BUJKU] After destroying Kosovo's autonomous institutions, the Serbian regime has also destroyed Kosovo's economy. Have you any vision or more organized plan in order to save what can be saved and to regenerate the economy in freedom? To what extent are Albanians abroad still ready to make material sacrifices in order to help Albanians remaining in the homeland?

[Bukoshi] We are working to realize the Republic of Kosovo, of course while bearing in mind all current circumstances. As for the Albanians living abroad, I can say that they are increasingly ready to help, wherever they may be. They have been unstinting in their help and sacrifices for the homeland, and this is assuming the dimensions of a classical epic.

[BUJKU] Increasing numbers of Albanian young people and even whole families are leaving Kosovo for political and economic reasons. Their precise number varies from day to day. What is the government's message for them, both at home and abroad?

[Bukoshi] We must all be concerned at this exodus. We will soon issue a communique about this, which will be what you call my message on this subject. The government must take certain measures in this area, because Kosovo is emptying at an extremely alarming rate. We are nevertheless encouraged by the readiness of everybody, especially young people, to return as soon as the need arises.

[BUJKU] To return to the government. Is it complete yet or not? We want to be able to say in what ways it is most active and necessary at this stage of the struggle for freedom in Kosovo.

[Bukoshi] The government is largely complete. It is most active and necessary in information, the economy, and internal and foreign affairs. It is also very active in the field of the judiciary and legislation. It will gradually be completed. Members of other nationalities in Kosovo will also be elected to the government.

[BUJKU] The legitimate communal assemblies, communal authorities, and other organizations and institutions are still operating in Kosovo. To what extent have you succeeded in coordinating work with them?

[Bukoshi] They will continue to work and will work better after the introduction of more effective methods of communication and coordination.

[BUJKU] What has been done about Kosovo's representation abroad? Where have offices been opened and how do they operate?

[Bukoshi] Opening offices of the Republic of Kosovo abroad will be an effective way of internationalizing the cause of Kosovo and the Albanians in Yugoslavia and achieving the recognition of the Republic of Kosovo as a sovereign and independent state. We began with a representation in Stuttgart and will gradually continue by opening offices in Vienna, Bonn, Brussels, Zurich, Rome, London, the United States, and elsewhere. These will be most important points, and, if we organize ourselves well, will become important spokesmen for the Republic of Kosovo.

[BUJKU] Can we say that Kosovo is now recognized in Europe as a sovereign state, as announced in September's referendum? Perhaps criticisms of the referendum are in order, because the text of the proclamation of Kosovo's sovereignty mentions Yugoslavia, although Yugoslavia, apart from Greater or Lesser Serbia, no longer exists.

[Bukoshi] We cannot say that Kosovo is recognized yet as a sovereign state in Europe; this is a process that requires a great deal of work and effort. As for the referendum, if it is disputed, we can organize another on the spot.... In the last year, events in former Yugoslavia have moved at great speed.

[BUJKU] Yugoslavia is on the verge of dissolution. Slovenia has now broken away, and its international recognition is a matter of time. The same will happen with Croatia. We think that Kosovo is next in line. What do you think, will the Albanians be rescued without war, or...?

[Bukoshi] The Albanians have done their utmost to avoid confrontation. They have paid, and are paying the highest price to avoid a slaughterhouse. They have endured and are enduring the state terror of Serbia,

which is often an outrage to human dignity. All this will no doubt come to an end. Of course, how it will end depends on us too.

[BUJKU] What do you think, would it be a good idea to deploy blue helmets in Kosovo? Have you spoken about this issue to anybody in a responsible position in Europe?

[Bukoshi] The Kosovo Government has also asked for blue helmets to be stationed in Kosovo. This would at the same time be a good opportunity for the world to see the repression in Kosovo in all its variety. This has been discussed with various personalities at meetings the government has had, but views are divided. There is a group that thinks that blue helmets should be sent to Kosovo. I think that even more work should be done on this, and not only by the government.

[BUJKU] The United States, through the Congress's Advisory Committee on Intergovernmental Relations and the assistant secretary of state, Mr. Niles [as published], has committed itself to recognizing the Republic of Kosovo alongside the other republics of former Yugoslavia. What does this mean?

[Bukoshi] This is a result of the incessant work of Dr. Ibrahim Rugova, who has succeeded in organizing Albanian political forces that have alerted U.S. and European policy to the question of Kosovo, and is I think of exceptional value.

[BUJKU] Italy prays for peace in Kosovo, Austria mentions Kosovo increasingly often, France has changed its attitude to Serbia, and Britain has shed its political conservatism. Meanwhile, Serbia continues to think of Kosovo as a fait accompli.

[Bukoshi] Even though the parliaments of some European states raised the question of recognizing Kosovo and Macedonia as well as Slovenia and Croatia, the Serbian leadership continues to think of the Kosovo problem as a fait accompli, but resembles the donkey who still thought he was dreaming while the wolf did his work.

[BUJKU] The shadow of The Hague has revived again. Do you think the Albanians presented themselves properly and that this presentation will continue? Do you personally favor the continuation of the conference at The Hague?

[Bukoshi] Personally, I like hail when there is no rain in a long drought.

[BUJKU] What does the term "special status" mean for Kosovo and the Albanians when it is well known that the Albanians are numerically the third-largest people in this region?

[Bukoshi] The Albanians are living on their own ethnic territories. I think that they must and no doubt will become aware of their special status.

[BUJKU] This difficult year for all Albanians is coming to an end. What can you tell us about the coming year, and is there any chance of improvement in the dire political and social situation that Serbian rule has brought to Kosovo?

[Bukoshi] It is not only this year that has been dire. We have been under Slav rule for decades on end. This is a chronic disease, whose complications have wearied us. The last 10 years have resembled a lingering sickness, but the last two years have been like the plague. We have learned the significance of a clash between an ancient people and a tragic people whose retrograde and medieval ideology has implanted in them the fixed idea of dominating others at all costs and robbing them of their future. This general offensive of Serbia brought grief to the Albanians, but we too were to blame, because we were divided. Such a thing must never happen again. We must learn to value unity and the constructive and cohesive forces in society.

I can say that, in spite of everything, the Albanians in Yugoslavia were not wiped out, but were only immunized, like a body that becomes immune after an attack of smallpox.

These troubles of ours must inevitably come to an end. I do not say this out of naive optimism or frivolity, but because the Albanians are ready to work hard and to make sacrifices to be free. There is a lot of work to be done.

Bosnia-Hercegovina

Information Service Reports Cease-Fire Violations

AU1112170691 Belgrade Radio Belgrade Network in Serbo-Croatian 1400 GMT 11 Dec 91

[Text] The truce on the Hercegovina battlefield has been violated again. According to the Trebinje Information Service, barrage fire was opened yesterday from the (?Veles) region three times, and five grenades were fired from Lopud Island. The Army did not respond. Dragan Mihovic reports:

[Begin Mihovic recording] There were no casualties. Representatives of the Army have sent a sharp protest to the Dubrovnik authorities saying that the Croatian side is regularly provoking incidents and then, when the Army responds, it demands a truce, claiming that the residents of Dubrovnik and other places are in a difficult and desperate situation.

Despite the incident, a new meeting should take place in the village of Mokosica today. It is expected that in Bileca the captured members of the Croatian forces will be handed over to the Croatian authorities as part of a wider action of exchanging prisoners. Representatives of the Government of Bosnia-Hercegovina are today visiting the village of (?Kamdinje) to deal with the question of Croatian refugees in this area.

There is no new information on the situation in western Hercegovina, Neum, Capljina, and Mostar. The Yugoslav People's Army still controls the port of Gruz, that is to say, the arrival and departure of ships and their cargo. [end recording]

Bosnian Serbs, Croats Agree To Hold Negotiations

AU1012193491 Sarajevo Radio Sarajevo Network in Serbo-Croatian 1800 GMT 10 Dec 91

[Text] The committee for negotiations with representatives of the Muslim and Croatian people of the Assembly of the Serbian People in Bosnia-Hercegovina today concluded that the leaders of the Serbian Democratic Party and the Croatian Democratic Community accepted the invitation to hold negotiations that was sent to them on 5 December. This was stated in a communique issued by the committee.

In view of this acceptance, the committee agreed that a conference on Bosnia-Hercegovina should be organized as soon as possible. The committee proposes that the work of the conference be based on the conclusions of the Assembly of Bosnia-Hercegovina of 11 September, which state that all options are open, equal, legal, and legitimate, provided that they exclude the use of force during their realization.

Montenegro

President Bulatovic Comments on Hague Meeting

AU1012141491 Sarajevo Radio Sarajevo Network in Serbo-Croatian 2100 GMT 9 Dec 91

[Text] Now let us listen to the statement made by Momir Bulatovic, president of the Montenegrin Presidency, after The Hague conference as conveyed by [name indistinct]:

[Correspondent] Momir Bulatovic, president of the Montenegrin Presidency, this evening stated for Montenegrin Television that besides the agreement on the internal character of today's meeting in The Hague, its was indisputable that everybody agreed the peacekeeping troops should be deployed as soon as possible.

All participants in the meeting agreed that the The Hague Conference on Yugoslavia should continue as soon as possible in order to find a permanent solution to the Yugoslav crisis.

Bulatovic also stated that the republican leaders were today briefed about the first analysis of the Arbitration Commission. However, Bulatovic stated, considering that this is a process that is still going on I do not find it necessary to separately comment the objections I leveled in the name of Montenegro.

Bulatovic particularly stressed that he used today's meeting to voice sharp protest against, as he said, the EC's unprincipled policy, which imposed the economic sanctions against Montenegro as well. He said that he stated several arguments and remarks to justify this. [passage indistinct]

Macedonia

Gligorov Assesses Arbitration Commission Report

AU1112214291 Skopje Radio Macedonia Network in Macedonian 2100 GMT 10 Dec 91

[Text] Kiro Gligorov, president of the Republic of Macedonia, today sent a letter to Robert Babinter, chairman of the Arbitration Commission of the Conference on Yugoslavia in The Hague.

I have carefully read the Arbitration Commission's report and I agree [word indistinct] with the basic principles upon which these views are based. This is stated at the beginning of the letter, which expresses conviction that the views and actions of the Arbitration Commission will be useful in finding a peaceful solution to the Yugoslav crisis within the political framework provided by The Hague conference.

The (?correspondence) expresses several remarks concerning some (?formulations) in the points which speak about the wish for independence expressed by the republic. At the referendum held last September, the citizens of Macedonia answered the following question: Do you favor a sovereign and independent state of Macedonia with the right to join a future union of sovereign states of Yugoslavia? This, it is said in the letter, contradicts the formulations in the views of the Arbitration Commission which speak about a referendum in favor of a sovereign and independent Macedonia within the framework of the association of Yugoslav states.

It can be seen in the formulation of the referendum question that what is involved is a referendum in favor of Macedonia as a sovereign and independent state and [words indistinct] negotiations with (?other) republics on possible [word indistinct] association. This is stated in Gligorov's letter, which adds that unfortunately, the development of the situation in the country [words indistinct] at (?The Hague) Conference (?few hopes) [words indistinct] such an association.

President Gligorov says that the Republic of Macedonia has also expressed its wish for independence in several [word indistinct] acts: The Declaration for Independence of the Republic, the referendum held last September, and the Constitution of the Republic of Macedonia by which Macedonia was proclaimed a sovereign and independent country.

Finally, in his letter to the chairman of the Arbitration Commission of The Hague Conference on Yugoslavia, President Kiro Gligorov [passage indistinct]

Maleski Analyzes Reasons for Crisis Situation

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[Interview with Dr. Denko Maleski, Macedonian foreign minister, by Dragan Djuric in Skopje; date not given: "There Is Always Time for War"]

[Text] "I think that at the very beginning of this holocaust that is taking place in our country there were some words that were too strong, irresponsible words from irresponsible people." This is how Dr. Denko Maleski, Macedonian foreign minister and professor in the School of Law of Skopje University, analyzed the reasons for the present situation in the space of Yugoslavia, with a look backward. This is a politician who was one of the principal participants in the Hague conference on Yugoslavia, a member of the leading troika in the Macedonian establishment that has contributed to the affirmation of Macedonia and its policy at the international level. Even if Macedonian policy does not manage to achieve all its objectives in world diplomacy, Maleski will be remembered as a man who made an extremely good impression on world and European politicians in The Hague.

Politicians With a One-Party Background

"We thought that words had no importance, and so we called for the peoples to fight, and we thought that we could speak about the need for the republic to expand within I know not what borders, and we only spread hatred. A sizable number of politicians who arrived on the waves of nationalism did not know how to measure their words. The hatred was shining before our eyes, we saw it. When there is this kind of mixture of nationalities, when we go to work together and go to the market together, when our children go to school together, it is excessive to use words that can hurt people. It was disastrous.

"Another reason is our failure to get our bearings in a democratic atmosphere. The politicians mainly have a one-party background. No one knows the art of compromise in which the peoples of the world are schooled and practiced. We give evidence of one-party thinking in the context of a multiparty system, which comes down to the formula: Either it will be as I say, or it will not be at all. They may sincerely believe that they are right, that they are protecting the interests of the people, but they should also be aware that they must make concessions, must put themselves in the other person's position, must find a way to get out of the conflict situation by peaceful means. That is the essence of democratic life. There is not one truth, but several truths, and so the common denominator has to be sought in order to get out of the conflict situations which everyday life generates."

The Law, Not Force

[Djuric] You are the author of the phrase about "peaceful national self-determination," which should become the defining principle of Macedonian policy. On what is it based?

[Maleski] That is our political orientation. You know, politicians receive a salary and have a position because they resolve by peaceful means conflicts in society that arise every day. Democratic politics is a substitution for armed conflicts as a way of resolving problems. When a politician calls to his people to go into the streets or even for the Army to solve a problem by force of arms, he has acknowledged his own incompetence, because his principal task is to resolve the conflicts in society by peaceful means.

We have committed ourselves to the principle of peaceful self-determination. We will use those means which make it possible for us through dialogue and agreement to find a solution and a way out of the crisis however long it might take. If we persist in that, we think that we will be an example even to others in Yugoslavia.

[Djuric] Do you not think that your view of achieving the objectives of Macedonian policy is a little utopian? You have committed yourself to creating a self-sufficient, sovereign, and independent Macedonian state, and history has never yet recorded a case in which a national state was established without great conflicts.

[Maleski] I think that there is a new situation in Europe today. Europe is saying that force can no longer be the way of resolving a conflict, but only law can do this. It is adopting the law as its way of resolving conflicts. I believe that we will succeed in demonstrating that it is possible to achieve the idea of national independence by peaceful means.

There has always been time for war. Macedonia is especially responsible for preserving the peace because of the danger that conflicts would be internationalized through it, that is, that neighboring countries would be drawn into the conflict. In that sense, Macedonia's international recognition will be a factor for stability in this region, because that will suggest that its territory is not free for anyone to take and that its citizens have the right to take their destiny in their own hands and to decide on their own future.

The Basis: The Hague Document

[Djuric] Objections quite often arrive from the VMRO-DPMNE [Internal Macedonian Revolutionary Organization-Democratic Party for Macedonian Nationality] to the effect that not enough has been done for recognition of Macedonian independence at the international level. When international recognition of republics is discussed, it is mainly Slovenia and Croatia that are mentioned, while Macedonia can possibly be recognized in the extension "and republics which so desire." One even hears that Macedonian politicians are quite often being asked in world diplomatic circles "whether they are really sure they want independence," which is meant to suggest that they think it over a bit more.

[Maleski] As far as the trends toward disintegration are concerned, Europe has constantly left room to think it over a bit more, asking itself whether disintegration is

the right choice in the age of integration? But that is a general attitude that applies equally to Slovenia and Croatia.

As a participant in the Hague conference, I also had occasion to take part personally in assurances as to what a common market means and insistence of the various republics to separate.

The document of the Hague conference, which in part is in fact the product of our efforts, takes as its point of departure the proposition that the Yugoslav crisis can be resolved in a general way. That is, not through the optics of Croatia or Slovenia, but as a totality of problems. Even the economic sanctions, even though certain countries have moved out ahead in recognizing one or the other republic, demonstrate that attitude of Europe, which is felt as a pressure by the principals in the crisis. They continue to be attached to the idea that the problems in Yugoslavia should be solved as a whole.

If you look at the Hague document, you will see that the basic idea is to recognize the independence of all republics which so desire. The idea was that the republics would gain international legitimacy, but they would also have an obligation to enter into some form of association, which would actually be a response to the European tendency toward integration.

Why is this important? It is important, at least this was our thinking at the beginning of the conference, so that at the end of the conference we have not produced six or I do not know how many antagonized states which will continue conflicts over their borders, using the Army and everything that they will build as sovereign states in the meantime.

[Djuric] The most painless road for Macedonia's international recognition, at least that is the assessment implied in what you say, is related to the Hague conference. However, after all that has happened, do you believe it has chances of success?

[Maleski] A few days ago, Mr. Cyrus Vance said that the action of the United Nations was not a substitute for the Hague conference. Sending the "blue helmets" is one thing, but the Hague conference remains, if my interpretation is correct, the political framework in which the Yugoslav crisis should be resolved. Recently, we met with Lord Carrington in Sarajevo. I asked him whether the Hague document remains in effect? He answered that it does and that we would be returning to it.

Talks With the Army as Well

[Djuric] The Macedonian parliament recently adopted the new Constitution. What does it mean for Macedonia's position both at the domestic and international levels?

[Maleski] Consistent with our orientation toward "peaceful self-determination" of Macedonia, we have made moves in succession whereby we have demonstrated our will and readiness to take the destiny of our life into our own hands. That was the case with the Declaration on Sovereignty, that was the case with scheduling the referendum, and it is also the case now with adoption of the new Constitution. We will continue in that direction.

Now we will attempt in the coming period to round out the system of effective power in our republic, that is, to fulfill the four conditions which are important to international recognition. And they are territory, population, the ability to enter into intergovernmental contacts, and finally, effective power over one's territory. We will achieve this last point gradually in the process of the introduction of sovereignty. Legislative activity is under way which will resolve that complex of normative regulation consistent with the new Constitution, and at the same time we will enter into negotiations with all factors which in any way restrict our sovereignty. We will be talking and we will see in what way we will overcome those problems.

[Djuric] What about the Army, which still has not withdrawn from the territory of Macedonia?

[Maleski] We also should talk with the Army. Both sides need to explain their positions. This is a process that we have sketched out, and I believe that we will persist in it.

[Djuric] What is your comment on the rumors to the effect that the Army, which at the moment is withdrawing from Macedonia, will not withdraw from its entire territory, but will stop on the line of Kumanovo and the Skopje Black Hills?

[Maleski] That is the first time I have heard that variant. But, consistent with our commitment, we will use all democratic means at our disposal in the country and abroad to find a way out even of that situation of which you speak. We will have to try once again to demonstrate our European mindset. At this moment, it is important to recognize the actual state of affairs, that sovereignty be respected, and that we enter into negotiations concerning future forms of cooperation and integration. The other roads are very risky, very uncertain, and they lead to conflicts and war, which we do not want.